

Packet

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— State of —
North Dakota
Office of the Governor

Doug Burgum
Governor

May 8, 2019

Jamie Corey
MuckRock News
DEPT MR 68261
411A Highland Ave
Somerville, MA 02144-2516

Dear Mr. Corey:

Copies of records related to Senate Bill 2044, responsive to your request, are attached.

Best Regards,

A handwritten signature in black ink, appearing to read "Leslie Bakken Oliver".

Leslie Bakken Oliver
General Counsel

Witt, Lyndsay M.

From: Frieze, Sherri L.
Sent: Friday, January 11, 2019 11:04 AM
To: Al Christianson (achristianson@GREnergy.com); Sanford, Brent; Dale Niezewaag; Danette Welsh; David Douglas; David Straley; Bohrer, Jason; Jay Skabo; Jeff Zueger; Julie Voeck; Kessel, Shawn; Mark Nisbet; Mike Rud; Ron Day; Ron Ness; Stacey Dahl; Wade Boeshans; Witt, Lyndsay M.; Kommer, Michelle L.; Koenig, Karla D.
Subject: Energy bills being tracked for EmPower ND Commission
Attachments: Energy bills 2019.docx

Good Morning Members:

Attached is a list of bills being tracked for EmPower ND. If you have more additions, that you would like discussed weekly, please email me. I will provide an updated list at each meeting.

Thank you,

Sherri Frieze
*Executive Assistant to the Commissioner
EmPower ND Commission Administrator*

701.328.5311 • sfrieze@nd.gov • www.commerce.nd.gov

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EmPower ND Tracking List

	<u>HB 1091</u>	House: INTRODUCED 01/03 H Introduced, first reading, referred Government and Veterans Affairs Committee 01/11 H Committee Hearing - 09:00 AM	Relating to the operations of the department of emergency services		
☐	<u>HB 1157</u>	House: INTRODUCED 01/03 H Introduced, first reading, referred Industry, Business and Labor Committee 01/15 H Committee Hearing - 02:00 PM	Relating to regulation of low-voltage electrical systems.		
☐	<u>HB 1167</u>	House: INTRODUCED 01/03 H Introduced, first reading, referred Political Subdivisions Committee 01/18 H Committee Hearing - 09:00 AM	Relating to exclusion and avoidance areas for a wind turbine; and to provide for application.		
☐	<u>HB 1205</u>	House: INTRODUCED 01/03 H Introduced, first reading, referred Finance and Taxation Committee 01/14 H Committee Hearing - 10:00 AM	Relating to a sales and use tax exemption for materials used to construct a fertilizer or chemical processing facility; and to provide an effective date.		
☐	<u>HB 1225</u>	House: INTRODUCED 01/03 H Introduced, first reading, referred Energy and Natural Resources Committee 01/18 H Committee Hearing - 09:00 AM	A BILL for an Act to provide for a legislative management study of future energy innovation; and to provide an appropriation.		
☐	<u>HB 1238</u>	House: INTRODUCED 01/03 H Introduced, first reading, referred Transportation Committee	Relating to a fee for electric vehicles.		
☐	<u>HB 1299</u>	House: INTRODUCED 01/03 H Introduced, first reading, referred Energy and Natural Resources Committee 01/18 H Committee Hearing - 09:00 AM	Relating to the duration of easements on the use of real property for pipelines.		

EmPower ND Tracking List

☐	<u>HB 1362</u>	House: INTRODUCED 01/10 H Introduced, first reading, referred Political Subdivisions Committee	Relating to the right of utilities to cross over or under a railroad right of way; and to provide for application.		
☐	<u>SB 2038</u>	Senate: PASSED 01/08 S Second reading, passed, yeas 47 nays 0 01/09 H Received from Senate	Relating to energy conversion and transmission facility siting, gas and liquid energy conversion, and gas and liquid transmission facility siting.		
☐	<u>SB 2044</u>	Senate: INTRODUCED 01/03 S Introduced, first reading, referred Energy and Natural Resources Committee 01/18 S Committee Hearing - 09:00 AM	Relating to tampering with or damaging a critical infrastructure facility or a public service; and to provide a penalty.		
☐	<u>SB 2061</u>	Senate: INTRODUCED 01/04 S Committee Hearing - 09:30 AM 01/10 S Committee Hearing - 09:30 AM	Relating to a road use fee for electric and hybrid vehicles.		
☐	<u>SB 2100</u>	Senate: INTRODUCED 01/03 S Introduced, first reading, referred Energy and Natural Resources Committee 01/04 S Committee Hearing - 10:45 AM	Relating to decommissioning of solar energy conversion facilities.		
☐	<u>SB 2123</u>	Senate: INTRODUCED 01/03 S Introduced, first reading, referred Energy and Natural Resources Committee 01/11 S Committee Hearing - 09:00 AM	Relating to confiscation of equipment and recovery for costs of plugging and reclamation of sites with bonds held by the North Dakota industrial commission.		
☐	<u>SB 2207</u>	Senate: INTRODUCED 01/10 S Introduced, first reading, referred Agriculture Committee	Relating to the removal of term limits for members of the North Dakota ethanol council.		

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Monday, April 1, 2019 12:13 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 15

Shelley Haugen
Constituent Services

701.328.2208 • skhaugen@nd.gov • www.governor.nd.gov

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, March 29, 2019 3:57 PM
Subject: Legislative Report No. 15

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— North Dakota Water Users — March 29, 2019 No. 15

Legislative Report

Hearing Schedule (April 1 – April 5).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1207 Reasonable Costs Awarded to Eminent Domain Defendant
Extensively discussed in committee.

This bill awards attorney's fees to defendants that prevail in eminent domain cases if the award for compensation and damages is less than the written offer of settlement submitted by the condemning authority at least 60 days before trial or if the taking is deemed not for a public use or unlawful. This bill was given a 4-2 Do Not Pass recommendation from the committee but it will be discussed further to clarify the language and possibly reconsider the bill before it is sent to the Senate floor.

HB 1302 Sale of Property Acquired by Eminent Domain

Failed the Senate floor with a vote of 5-41 on Tuesday, March 26.

This bill would have allowed the person whose land was taken for eminent domain by the state or a political subdivision to have the opportunity to purchase the land back if it is no longer needed for the purpose it was obtained. This bill failed on the floor due to the many concerns with the language and unanimous opposition at the hearing.

HB 1356 Bids, Plans and Specifications for Public Improvements and Bond Thresholds

Passed the Senate floor with a vote of 39-6 on Monday, March 25.

This bill requires that the state and its political subdivisions may not engage in the construction of public works involving the practice of professional engineering when the contemplated expenditure for the project exceeds the sum of two hundred fifty thousand dollars, unless the engineering drawings and specifications and estimates have been prepared by, and the construction administration and construction observation services are executed under the supervision of, a registered professional engineer.

HB 1431 Removal of Mandan from SW Water Authority's Mill Levy

Failed the Senate floor with a vote of 47-0 on Wednesday, March 27.

This bill would have removed Mandan from SW Water Authority's mill levy. This bill failed because it was no longer necessary due to SB 2213 failing in the House (SB 2213 would have extended the SWWA one mill levy).

SB 2020 Appropriation for Defraying the Expenses of the State Water Commission

The House Appropriations Education and Environment Division continues to review the State Water Commission budget in SB 2020. It has discussed many possible changes to the version of Engrossed SB 2020 adopted by the Senate.

Based on the revised revenue forecast the subcommittee is anticipating the possibility of an additional \$83 million more funds than the \$350 million than the Senate appropriated for grants and capital projects. Potentially, there is an additional \$140 million more with the higher revenue forecast and if other pending legislation is adopted.

The committee is considering possible amendments including:

- Adding a 10th member (8th appointed) to the State Water Commission to represent watersheds in the Southwest
- Continuation of the previously adopted legislative intent of \$193 million for the interior-Minot portion of the Mouse River Flood control to support \$135.5 million over the next 3 biennia
- Changing the Tobacco Settlement payments to the Water Development Trust Fund of \$16 to \$18 million to fund Human Services instead of the WDTF

- Creation of a Missouri River advocacy council that would have been created in HB 1428, which the House previously defeated
- Certification requirement of minimal downstream impact from operation of the FM Diversion
- Provision that funds returned to SWC by projects due to cost-savings, are restored in the “bucket” from which the funds were derived
- Possible line item appropriations for each project
- Establish a “contingency” funding line for SWC flexibility and to address emergencies
- Increase commitment to NAWs

SB 2044 Damaging Critical Infrastructure Penalty

Passed the House with a vote of 76-14 on Monday, March 25.

This bill provides penalties for tampering with critical infrastructure and defines what a critical infrastructure facility is.

SB 2275 Essential Infrastructure Revolving Loan Fund

Failed the House with a vote of 34-55 on Monday, March 25.

This bill would have created a large scale low-interest, long-term revolving loan fund at the Bank of North Dakota with the lending terms supported with earnings from the Legacy Fund for water projects and other infrastructure investments. This bill failed due to the bonding repayment of \$55M+ per biennium obligation from the state for the next 15 biennia.

The Education and Environment Division of the House Appropriations Committee discussed expanding the existing revolving loan within Senate Bill 2020, the State Water Commission budget appropriations bill and it asked the Bank of North Dakota and Legislative Council to consider other funding sources.

SB 2358 Definition of a Watercourse

Passed the House with a vote of 89-2 on Thursday, March 28.

This bill would add a creek, river, or stream appearing in a USGI topographical map to the definition of a watercourse.

SB 2362 Oil and Gas Extraction Tax Revenues

Heard before the Senate Appropriations Committee on Friday, March 28.

This bill is a delayed bill that would address the interpretation issues of how oil and gas extraction tax revenues generated on the Fort Berthold Indian Reservation are deposited into the Resources Trust Fund, the Common Schools Trust Fund and the Foundation Aid Stabilization Fund. As introduced, the bill stipulates that 20% of all the extraction tax collected in the state would be transferred to the Resources Trust Fund. This could increase deposits to the RTF by \$45.4 million.

The Senate Finance and Tax Committee amended the bill to increase the allocation of the extraction tax revenues to the RTF by 0.5% until \$128,740,000 is transferred from the increased share. This represents an estimate of the total funds that were not deposited in the RTF under a different interpretation of distributions since 2009. Under current oil price and production forecasts, an additional \$11 million could be transferred with the increased share. The ND Water Coalition provided testimony in support of the bill at the hearing.

II. 2019 Legislative Deadlines and Dates

May 2 Session is limited to 80 legislative days

III. HEARING SCHEDULE: April 1 - April 5, 2019

Date and Time	Bill Number	Short Title	Committee	Room
04/02/2019 10:00 AM	<u>SB 2362</u>	Relating to the allocation of oil extraction tax; to provide a contingent appropriation; to provide for a transfer; to provide an effective date; to and to declare an emergency.	House Finance and Taxation	Fort Totten

IV. Legislative Bills Tracked (To Date)

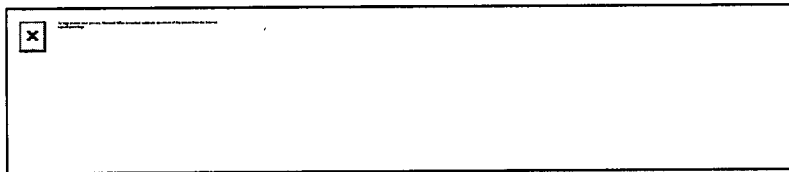
Bill	Short Title	House	Senate
<u>HB 1066</u>	"Project Prairie Dog"	PASSED	PASSED
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	PASSED
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	PASSED
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	PASSED
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	PASSED
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	FAILED
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	PASSED
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	PASSED
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	FAILED
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty	PASSED	PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water	PASSED	PASSED
<u>SB 2091</u>	Floodplain Management Community Standards	PASSED	PASSED

<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy	FAILED	PASSED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund	FAILED	PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts	PASSED	PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft	PASSED	PASSED
<u>SB 2358</u>	Definition of a Watercourse	PASSED	PASSED
<u>SB 2362</u>	Oil and Gas Extraction Tax Revenues		
<u>SCR 4009</u>	Joint Water Resource Board Study	PASSED	PASSED

Witt, Lyndsay M.

From: Bakken Backers <info@backthebakken.org>
Sent: Friday, March 29, 2019 7:34 AM
To: Witt, Lyndsay M.
Subject: Kickoff Point: North Dakota Oil Industry, Landowner Groups Divided as Energy Bill Heads for Vote | North Dakota House Approves Bill to Protect Pipelines, Critical Infrastructure

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.



North Dakota Oil Industry, Landowner Groups Divided as Energy Bill Heads for Vote

SB 2344 defines pore space and returns the law to match what is historically normal business practices. The bill also incentivizes investment in Enhanced Oil Recovery, further maximizing oil and gas production and protecting thousands of jobs in North Dakota's coal industry.

[Read More](#)

North Dakota House Approves Bill to Protect Pipelines, Critical Infrastructure

SB 2044 passed the ND House in a 76-14 vote on Monday. The bill will prevent tampering with pipelines and other energy infrastructure and adds penalties for organizations that conspire with individuals who damage infrastructure.

[Read More](#)

Bakken Exploration Expanding into North Dakota Grasslands

Interest beyond the Bakken Shale's four-county core in North Dakota is expanding to the upper Midwest grasslands, with as many as five of the state's 65 active rigs now in operation.

[Read More](#)

Williston API Plans Celebration to Recognize over \$1 Million in Donations to Community

Williston API has donated over \$1 million of the past eight years in funding and scholarships for students, youth organizations, cultural programs and charities.

[Read More](#)

A Flood of U.S. Oil Exports is Coming

Oil traders and shale executives believe U.S. crude exports are set reach 5 million barrels a day by late 2020, up another 70 percent from current levels. If the U.S. hits that target, America will be exporting, on a gross basis, more crude than every country in OPEC except Saudi Arabia.

[Read More](#)

Next U.S. Shale Wave Will Need Fewer Heads, Different Skills

U.S. shale oil and gas are expected to surge, driven by technology advancement and innovation in drilling practices. The new technologies are requiring advanced skill-sets to manage operations.

[Read More](#)

Dakota Datebook: 'Father of North Dakota Oil'

'The Father of North Dakota Oil' Thomas Leach discovered oil in North Dakota in this week of 1951, and consequently launched the oil and gas industry in the state.

[Read More](#)

Bismarck, North Dakota

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Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Monday, March 25, 2019 9:26 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 14

Shelley Haugen
Constituent Services

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, March 22, 2019 4:44 PM
Subject: Legislative Report No. 14

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— *North Dakota Water Users* — *March 22, 2019 No. 14*

Legislative Report

The deadline for rereferral of policy bills with fiscal impact to Appropriations Committees is Tuesday, March 26. Most policy committees have finished hearing assigned bills and will spend most of next week in committee work.

Conference committees to reconcile differences between bills that have passed both chambers are beginning. Conference committees will be meeting through the remainder of the session to coordinate bill language so both the House and Senate can adopt identical language. The conference committees are generally made up of three members of each committee that heard the bill and can be arranged with as little as 15 minutes notice. These committee meetings can sometimes be another chance to influence policy outcomes.

Contact Legislators!

The Water Users Association has initiated an **Action Alert** to support SB 2275. This bill will create a low-interest, long-term revolving loan fund for Water infrastructure investments. The bill has already passed the Senate. In order for this important bill to pass the House, you should contact Representatives to urge support for the measure which would create a \$450 million loan program to support critical infrastructure, major flood control and regional water supply with loans at 2% interest for up to forty years.

Please call or write you legislators requesting support for this bill!

Hearing Schedule (March 25 – March 29).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1362 passed the Senate floor with a vote of 46-0 on Thursday, March 21. This bill allows a utility to cross over or under the railroad right of way for the placement of facilities.

HB 1431 was heard before the Senate Political Subdivisions Committee on Thursday, March 21. This bill removes Mandan from SW Water Authority's mill levy.

SB 2213 failed the House with a vote of 27-65 on Tuesday, March 19. This bill would have extended the SWWA one mill levy until 2030.

HB 1192 passed the Senate floor with a vote of 39-6 on Wednesday, March 20. This bill defines adds a definition of ordinary high-water mark to N.D.C.C. ch. 61-33.1 and adds a section requiring the State Engineer maintain ordinary high-water mark delineation guidelines as provided.

SB 2020 is the budget appropriation for the State Water Commission. The Education and Environment Division of the House Appropriations Committee spent much of its committee time on Thursday and Friday reviewing the provisions of the bill as adopted by the Senate. The subcommittee reviewed projects, programs and capital assets. Clarification on water projects was gained from the SWC staff, and representatives of the Fargo Moorhead Diversion, Mouse River Flood Protection Plan, Red River Water Supply Project, League of Cities and Rural Water. The committee is gathering information and no action was taken.

SB 2090 passed the House with a vote of 78-7 on Friday, March 22. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500,

industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

SB 2275 received a 15-3 Do Not Pass recommendation from the House Appropriations Committee, however water leaders are hoping to convince the full House of Representatives to adopt the bill. This bill will create a low-interest, long-term revolving loan fund for water infrastructure investments. We are encouraged that cities, counties, general contractors, and transportation advocates support the Infrastructure Revolving Loan Fund and will work together to secure passage of SB 2275 or if unsuccessful to jointly look for options to create an Infrastructure Revolving Loan Fund in another bill.

SB 2293 received a 14-0 Do Pass recommendation from the House Energy and Natural Resources Committee and referred the bill to the Appropriations Committee. The bill creates a \$3 surcharge on fishing licenses and a \$15 per boat “sticker” to finance an Aquatic Nuisance Species fund for programming, facilities and two Game and Fish Department staff for ANS inspection, monitoring, and education.

SB 2342 passed the House with a vote of 60-25 on Friday, March 22. This bill sets noise restrictions of 88 decibels for no more than 10 minutes on the operation of watercraft during the hours of 12am-5am.

II. Bills Affecting Landowners

SB 2360 passed the House with a vote of 74-18 on Monday, March 18. This bill changes the definition of farm income from net to gross income for purposes of qualification for the farm home property tax exemption. The bill adopts the IRS definition of a farmer, which is two-thirds or more of annual gross income from farming activities during any of the two preceding calendar years. The bill also removes the present \$40,000 cap for allowable off-farm income.

HB 1020 was heard before the Senate Appropriations Committee on Wednesday, March 20. This bill is the budget for the NDSU Research and Extension. House action resulted in a 6% decrease from the 2017-19 base level funding for the main station. This is following a 13% cut in 2017-19 biennium. Extension held even with the 2017-19 funding level. Funding for SBARE priorities include one-time funding of \$1.4 million from the strategic investment and improvements fund for extraordinary repairs and \$750,000 for the Williston seed cleaning plant, including \$250,000 from the general fund and \$500,000 from other funds.

SB 2315 was heard before the House Agriculture Committee on Thursday, March 21. This bill reverses the presumption that all land is considered open to trespass and requires people to seek permission to access private property, except for hunting, where designations of open or closed will be indicated on an electric database. This bill also allows traditional signs to be used if landowners prefer them. The bill establishes an advisory group of landowners and sportsmen to manage the development of the land database.

SB 2344 was heard before the House Energy and Natural Resources Committee on Thursday, March 21. This bill is intended to clarify that underground injection for CO2 or natural gas

storage, enhanced oil recovery, and saltwater disposal do not constitute a “damage” to pore space. The bill is considered by many landowners to be a “taking” of landowners property. The House Energy and Natural Resources Committee gave it a 10-2 do pass recommendation on March 21.

III. 2019 Legislative Deadlines and Dates

May 2 Session is limited to 80 legislative days

IV. HEARING SCHEDULE: March 25 - March 29, 2019

Date and Time	Bill Number	Short Title	Committee	Room
03/26/2019 9:00 AM	<u>SB 2020</u>	Committee Work – State Water Commission Relating to the authorization of a Bank of North Dakota line of credit; to provide for Red River valley water supply requirements; to provide an exemption; to provide for a report to the legislative management; and to provide a statement of legislative intent.	House Appropriations – Education and Environment Division	Roughrider
03/26/2019 9:00 AM	<u>HB 1290</u>	Relating to prohibiting entry onto private land without permission.	Senate Judiciary	Pioneer
03/28/2019 3:45 PM	<u>HB 1521</u>	Relating to reporting campaign contributions and expenditures, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact section 16.1-08.1-01, subsection 4 of section 16.1-08.1-02.1, sections 16.1-08.1-02.3, 16.1-08.1-02.4, 16.1-08.1-03.1, 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, 28-32-08, 28-32-08.1, 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, subsections 2 and 4 of section 28-32-19, and sections 28-	Ethics	Pioneer

		32-27, 28-32-47, 28-32-48, and 28-32-49 of the North Dakota Century Code, relating to rulemaking procedures, disqualification of agency heads in quasi-judicial proceedings, implementing article XIV of the Constitution of North Dakota, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.		
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V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Project Prairie Dog"	PASSED	PASSED
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	PASSED
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	PASSED
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	PASSED
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	PASSED
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	PASSED
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water	PASSED	PASSED
<u>SB 2091</u>	Floodplain Management Community Standards	PASSED	PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED

<u>SB 2213</u>	SW Water Authority Permanent Mill Levy	FAILED	PASSED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts	PASSED	PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft	PASSED	PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4009</u>	Joint Water Resource Board Study	PASSED	PASSED

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Monday, March 18, 2019 10:00 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 13
Attachments: 2019-2021 Biennium Analysis.pdf

Shelley Haugen
Constituent Services

701.328.2208 • skhaugen@nd.gov • www.governor.nd.gov



From: ND Water Info <staff@ndwater.net>
Sent: Friday, March 15, 2019 5:34 PM
Subject: Legislative Report No. 13

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— *North Dakota Water Users* — *March 15, 2019 No. 13*

Legislative Report

Final executive and legislative revenue forecasts were heard in joint Appropriations Committee meetings March 11-12.

The March forecast numbers were finalized March 14 by both committees. For the 2017-19 biennium, General Fund revenue increased \$40 million from the January forecast for total General Fund revenue of \$4.7 billion. For the 2019-21 biennium, appropriators reduced the January General Fund revenue forecast by \$174 million for a total of \$4 billion. However, this reduction results from adjusting the transfer of Legacy Fund earnings to the General Fund from \$300 million in the January forecast to \$100 million. There is a slight increase in General Fund tax revenue of \$25 million for 2019-21.

As of March 14, the estimated General Fund ending balance for the 2019-21 biennium is (\$900 million) based on pending legislation.

The March 14 revenue projection increased both the anticipated oil production and oil price in the 2019-21 biennium, increasing the January forecast oil price of \$42.50 per barrel to \$47/bbl this week; and increasing the average daily production from 1.35 million barrels per day to 1.38 MBPD.

The Resources Trust Fund, which is the major source of funding for the State Water Commission operations, capital projects and water project grants, receives 20% of the oil and gas extraction tax. The revenue forecast's impact on predictions for the deposits have not yet been published by Legislative Council but based on the forecast the Appropriations Committee is tentatively anticipating an additional \$62 million in the 2019-21 biennium over the \$350 million estimated in January. The committee also expects an increase of \$9.8 million to be deposited during the remainder of the 2017-19 biennium.

Additionally, the appropriations committee counting on an additional \$45.4 million with passage of SB 2362, which clarifies the distribution of extraction taxes from oil produced on the Fort Berthold Reservation. The House appropriators are also anticipating a \$23 million transfer from the Bank of North Dakota to the RTF if the infrastructure revolving loan fund contemplated in SB 2275 is adopted.

SB 2020 State Water Commission Budget Appropriation.

The House Appropriations Educations and Environment Division spent substantial committee time Friday, reviewing the SWC budget in SB 2020. The subcommittee reviewed Engrossed SB 2020 as adopted by Senate and studied a Legislative Council prepared analysis (attached) of the Senate's version of the SWC budget.

Based on the revised revenue forecast and pending legislation, the subcommittee is anticipating an additional \$133 to \$140 million more funds in the RTF than the \$350 million the Senate was able to appropriate for grants and capital projects.

The committee considered, but did not adopt, several possible amendments to SB 2020, the Committee:

- Will likely add a tenth member (8th appointed) to the State Water Commission to represent the Heart, Cannonball and Little Missouri Rivers watersheds in Southwest North Dakota
- Will likely continue the previously adopted legislative intent of \$193 million for the Minot portion of the Mouse River Flood control to \$135.5 million over the next 3 biennia
- Will gather addition information on a proposed amendment anticipated from Rep. Delzer to shift the revenue to the Water Development Trust Fund from the \$16 to \$18 million in biennial Tobacco Settlement payments, instead to fund Human Services program. Potentially to be replaced by additional funds in the RTF
- Is unlikely to adopt an amendment offered to create a Missouri River advocacy board to promote reaction, water access and utilization of the river and its reservoirs. The

committee would have a similar responsibility to a board that would have been created in HB 1428, which the House defeated earlier

I. This Week at the Legislature

HB 1066 passed on the Senate floor with a vote of 46-0 on Thursday, March 14. This bill was heard before the Senate Appropriations committee on Monday, March 11. This bill, widely known as the “Operation Prairie Dog Bill,” revises the formula for the distribution of the gross production tax on oil and gas in a way that will fund Hub Cities and other oil-impacted communities in the 2019-2021 biennium at approximately the same rate as the current biennium. It would also establish “buckets” for non-oil producing cities, counties, airports, and townships to support infrastructure needs.

HB 1302 was heard before the Senate Political Subdivisions committee on Friday, March 15. This bill allows the person whose land was taken by eminent domain by the state or a political subdivision to have the opportunity to purchase the land back if it is no longer needed for the purpose for which it was acquired.

HB 1356 was heard before the Senate Political Subdivisions committee on Thursday, March 14. This bill requires that the state and its political subdivisions may not engage in the construction of public works involving the practice of professional engineering when the contemplated expenditure for the project exceeds the sum of two hundred fifty thousand dollars, unless the engineering drawings and specifications and estimates have been prepared by, and the construction administration and construction observation services are executed under the supervision of, a registered professional engineer.

HB 1362 was heard before the Senate Industry, Business and Labor committee on Wednesday, March 13. This bill allows a utility to cross over or under the railroad right of way for the placement of facilities.

HB 1521 was heard before the Ethics committee on Tuesday, March 12. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists.

SB 2148 was heard before the Ethics committee on Tuesday, March 12. This bill establishes an ethics commission and outlines the complaint process for violations.

SB 2275 was heard before the House Appropriations committee on Tuesday, March 12. This bill creates an infrastructure revolving loan fund at the Bank of North Dakota with the lending terms supported with earnings from the Legacy Fund.

SB 2295 passed the House with a vote of 76-13 on Friday, March 15. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

SB 2362 was heard before the Senate Finance and Taxation Committee on Wednesday, March 13. This bill would address the interpretation issues of how oil and gas extraction tax revenues generated on the Fort Berthold Indian Reservation are deposited into the Resources Trust Fund, the Common Schools Trust Fund and the Foundation Aid Stabilization Fund. The bill stipulates that 20% of all the extraction tax collected in the state would be transferred to the Resources Trust Fund upon passage of the bill, which has an emergency clause. The bill has no reference to restoring funds that may not have been deposited under a different interpretation over the past decade. The Water Coalition, the Rural Water Systems Association and the State Engineer all testified in support of the bill, and advocated restoration of the estimated \$125 million that was not deposited into the RTF over the previous decade.

SCR 4009 passed on the House floor on Wednesday, March 13. This bill would direct Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basin-wide needs.

II. 2019 Legislative Deadlines and Dates

May 2 Session is limited to 80 legislative days

III. HEARING SCHEDULE: March 18 - March 22, 2019

Date and Time	Bill Number	Short Title	Committee	Room
03/21/2019 9:30 AM	<u>HB 1431</u>	Relating to the parts of the state included in the southwest water authority and the membership of the board of directors of the southwest water authority; and to provide an effective date.	Senate Political Subdivisions	Red River

IV. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Project Prairie Dog"	PASSED	PASSED
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	PASSED
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	PASSED
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	PASSED
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	

<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED
<u>SB 2091</u>	Floodplain Management Community Standards	PASSED	PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		PASSED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts	PASSED	PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SB 2362</u>	Allocation of Oil Extraction Tax		
<u>SCR 4009</u>	Joint Water Resource Board Study	PASSED	PASSED

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Monday, March 11, 2019 8:36 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 12

Shelley Haugen
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From: ND Water Info <staff@ndwater.net>
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— North Dakota Water Users — March 8, 2019 No. 12

Legislative Report

Hearing Schedule (March 11 – March 15).

There are not hearings of bills scheduled for bill being tracked by the North Dakota Water Users Association.

I. This Week at the Legislature

SB 2362 was introduced as a delayed bill yesterday, March 7. The bill would address the interpretation issues of how oil and gas extraction tax revenues generated on the Fort Berthold Indian Reservation are deposited into the Resources Trust Fund, the Common Schools Trust Fund

and the Foundation Aid Stabilization Fund. The bill stipulates that 20% of all the extraction tax collected in the state would be transferred to the Resources Trust Fund upon passage of the bill, which has an emergency clause. The bill has no reference to restoring funds that may not have been deposited under a different interpretation over the past decade.

HB 1066 was heard before the Senate Finance and taxation committee on Tuesday, March 5- the Water Coalition support this bill, widely known as the “Project Prairie Dog” which revises the formula for the distribution of the gross production tax on oil and gas in a way that will fund Hub Cities and other oil-impacted communities in the 2019-2021 biennium at approximately the same rate as the current biennium. It would also establish “buckets” for non-oil producing cities, counties and townships to support infrastructure needs.

HB 1136 passed the Senate with a vote of 42-0 on Friday, March 8. It was heard before the Senate Industry, Business and Labor committee on Wednesday, March 6. This bill allows a governing body to award a contract for each portion of the public improvement project that received bids and readvise for bids on the portion of the project that did not receive bids if a bid for general, electrical, or mechanical portions of a public improvement project are not received.

HB 1192 was heard before the Senate Energy and Natural Resources committee on Thursday, March 7. This bill defines adds a definition of ordinary high water mark to N.D.C.C. ch. 61-33.1 and adds a section requiring the State Engineer maintain ordinary high water mark delineation guidelines as provided.

HB 1207 awards reasonable costs awarded to defendants that prevail in eminent domain cases. The bill was heard before the Senate Judiciary committee on Tuesday, March 5.

SB 2020 On March 7 and 8, the Education and Environment Division of the House Appropriations Committee - held nearly a day-and-a-half long hearing on Senate Bill 2020, the State Water Commission budget appropriation. Governor Burgum appeared and requested flexibility in the appropriation for water project funding when he introduced the SWC Budget.

On behalf of the Water Users Association and the Water Coalition, Alan Walter requested financial support for water projects across the State and requested that the Legislature:

- Fund State Water Commission administrative operations from the State General Fund
- Not reduce or divert the 20 percent of oil and gas extraction taxes from the Resources Trust Fund which supports water projects and infrastructure
- Consider credit options using Legacy Fund earnings to finance the completion of state water infrastructure

Throughout Thursday, the appropriators heard reports and requests for funding help with major flood control for Souris River Flood Protection, Lower Heart River Levy Recertification, Sheyenne River Flood Protection and it heard extended testimony in support and in opposition to the Fargo-Moorhead Area Diversion Project. The committee took testimony in support water supply grants with dedicated funding for rural water supply, and a continued commitment of funding for municipalities’ water infrastructure, Western Area Water Supply, and Red River Valley Water Supply. The City of Devils Lake asked for consideration of the Lake Agassiz Water Authority to route water supply pipelines to the Sheyenne River upstream of the city.

The committee members received updates from the Southwest Pipeline Project and the Northwest Area Water Supply State and a request to invest in these state-owned capital assets. Water Resource Districts and irrigation representatives made a case for the continuation of the dedicated General Water Management funding that the Senate had proposed. The legislators also heard from several supporters of cloud modification and the weather monitoring efforts of the atmospheric resource board.

Friday's continued hearing focused almost entirely on the Fargo Moorhead Diversion Project, with questions from the committee about federal and local funding, finance cost, the private partnership proposal and progress on the interior flood control. Committee work on the bill is expected to continue throughout March.

SB 2044 was heard before the House Energy and Natural Resources committee on Thursday, March 7. This bill provides penalties for tampering with critical infrastructure and defines critical infrastructure facility.

SB 2213 was heard before the House Political Subdivisions committee on Thursday, March 7. This bill extends the sunset clause for the SWWA mill levy until 2030. Alan Walter testified on behalf of the NDWUA.

SB 2293 was heard before the House Energy and Natural Resources committee on Friday, March 8. This bill creates funding mechanisms to support ANS programs through a \$3 surcharge on in state fishing licenses (excluding senior citizen and disabled licenses) and \$6 surcharge on out of state fishing waterfowl licenses. Mary Massad testified in support on behalf of the NDWUA.

SB 2295 was heard before the House Agriculture committee on Thursday, March 7. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

SB 2342 was heard before the House Energy and Natural Resources committee on Thursday, March 7. This bill sets noise restrictions on the operation of airboat watercraft.

SB 2358 was heard before the House Energy and Natural Resources committee on Thursday, March 7. This bill would study adding a creek, river, or stream appearing in a plat book to the definition of a watercourse.

SCR 4009 was heard before the House Agriculture committee on Thursday, March 7. This bill would direct Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basin-wide needs.

II. 2019 Legislative Deadlines and Dates

May 2 Session is limited to 80 legislative days

III. HEARING SCHEDULE: March 11 - March 15, 2019

Date and Time	Bill Number	Short Title	Committee	Staff
03/11/2019 3:00 PM	<u>HB 1066</u>	Relating to infrastructure funds; to amend and reenact subsection 5 of section 57-51-01 and sections 57-51-15, 57-51.1-07.3, and 57-51.1-07.5 of the North Dakota Century Code, relating to oil and gas tax revenue allocations; to provide a continuing appropriation; to provide for a report; and to provide an effective date.	Senate Appropriations	Harvest
03/12/2019 8:15 AM	<u>SB 2275</u>	Relating to the infrastructure revolving loan fund debt repayments; to amend and reenact sections 6-09-49, 6-09.4-06, and 6-09.4-10, subsection 6 of section 21-03-07, and sections 21-03-19, 57-15-06.6, and 57-47-02 of the North Dakota Century Code, relating to the infrastructure revolving loan fund, borrowing and lending authority, reserve funds, and expanded bonding authority for counties; to repeal section 61-02-78 of the North Dakota Century Code, relating to a revolving loan fund for water projects; to provide a transfer; to provide a continuing appropriation; to provide a bond issuance limitation; and to provide an effective date.	House Appropriations	Roughrider
03/12/2019 2:15 PM	<u>SB 2148</u>	Relating to disclosures of expenditures, restrictions on public officials and lobbyists, investigations of ethics violations; and to the prohibition on personal use of campaign contributions and the rulemaking procedures and requirements for the ND ethics commission.	Ethics	Brynhild Haugland
03/12/2019 3:45 PM	<u>HB 1521</u>	Relating to reporting campaign contributions and expenditures, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the	Ethics	Brynhild Haugland

		Constitution of North Dakota; to amend and reenact section 16.1-08.1-01, subsection 4 of section 16.1-08.1-02.1, sections 16.1-08.1-02.3, 16.1-08.1-02.4, 16.1-08.1-03.1, 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, 28-32-08, 28-32-08.1, 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, subsections 2 and 4 of section 28-32-19, and sections 28-32-27, 28-32-47, 28-32-48, and 28-32-49 of the North Dakota Century Code, relating to rulemaking procedures, disqualification of agency heads in quasi-judicial proceedings, implementing article XIV of the Constitution of North Dakota, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.		
03/13/2019 9:00 AM	<u>SB 2362</u>	Relating to the allocation of oil extraction tax; to provide an effective date; and to declare an emergency.	Senate Finance and Taxation	Lewis and Clark
03/13/2019 2:30 PM	<u>HB 1362</u>	Relating to the right of utilities to cross over or under a railroad right of way; and to provide for application.	Senate Industry, Business and Labor	Roosevelt Park
03/14/2019 10:45 AM	<u>HB 1356</u>	Relating to bids, plans, and specifications for public improvements and bond thresholds.	Senate Political Subdivisions	Red River
03/15/2019 8:30 AM	<u>HB 1302</u>	Relating to the sale of property acquired by eminent domain or acquired when the property was eligible for taking by eminent domain, but no longer needed for a public purpose.	Senate Political Subdivisions	Red River

IV. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Project Prairie Dog"	PASSED	

<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	PASSED
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	PASSED
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	PASSED
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED
<u>SB 2091</u>	Floodplain Management Community Standards	PASSED	PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		PASSED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Friday, March 1, 2019 5:01 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 11

Shelley Haugen
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— North Dakota Water Users — March 1, 2019 No. 11

Legislative Report

Hearing Schedule (March 4 – March 8).

There are not hearings of bills scheduled for bill being tracked by the North Dakota Water Users Association.

I. This Week at the Legislature

HB 1085 passed the Senate with a vote of 45-0 on Wednesday, February 27. This bill amends the drought disaster livestock water assistance program to remove the \$3,500 funding limit and raises the limit to \$4,500 to address increased costs.

HB 1087 passed the Senate with a vote of 44-1 on Wednesday, February 27. This bill excludes agricultural dikes two feet in height or less from requiring a PE to submit plans and specs be reviewed by the State Engineer.

HB 1173 was heard before the Senate Judiciary Committee on Wednesday, February 27. This bill reduces the cost of appeals to local government.

HB 1320 was heard before the Senate Energy and Natural Resources Committee on Friday, March 1. This bill removes voter approval requirements for some RRVWS projects and allows contract terms to exceed forty years.

SB 2090 was heard before the House Energy and Natural Resources Committee on Thursday, February 28. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500, industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

SB 2091 passed the House with a vote of 86-0 on Friday, March 1. This bill was heard before the House Energy and Natural Resources Committee on Thursday, February 28. This bill allows permissible structures within a flood fringe to be constructed on piers or columns, or other methods allowed by FEMA.

SB 2139 was heard before the House Energy and Natural Resources Committee on Friday, March 1. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations in natural waterways. Jack Dwyer, Gary Thompson and Dennis Reep testified in support of this bill on behalf of the NDWRDA. Other members of water resource districts and several other associations also testified in support of this bill.

II. 2019 Legislative Deadlines and Dates

March 8 Crossover for resolutions
May 2 Session is limited to 80 legislative days

III. HEARING SCHEDULE: March 4 - March 8, 2019

Date and time	Bill Number	Short title	Committee	Room
03/05/2019 9:00 AM	<u>HB 1066</u>	Relating to infrastructure funds, relating to oil and gas tax revenue allocations; to provide a continuing appropriation; to	Senate Finance and Taxation	Fort Lincoln

		provide for a report; and to provide an effective date.		
03/05/2019 10:30 AM	<u>HB 1207</u>	Relating to costs awarded to a defendant.	Senate Judiciary	Fort Lincoln
03/06/2019 9:30 AM	<u>HB 1136</u>	Relating to bid requirements for public improvements.	Senate Industry, Business, and Labor	Roosevelt Park
03/07/2019 8:30 AM	<u>SB 2020</u>	Relating to the authorization of a Bank of North Dakota line of credit; to provide for Red River valley water supply requirements; to provide an exemption; to provide for a report to the legislative management; and to provide a statement of legislative intent.	House Appropriations – Education and Environment Division	Roughrider
03/07/2019 9:00 AM	<u>SB 2213</u>	Relating to the southwest water authority and district budget tax levies.	House Political Subdivisions	Prairie
03/07/2019 9:00 AM	<u>SB 2342</u>	Relating to regulation of airboats to prevent excessive noise; and to provide a penalty.	House Energy and Natural Resources	Coteau A
03/07/2019 9:00 AM	<u>SCR 4009</u>	A resolution directing Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basinwide needs.	House Agriculture	Peace Garden
03/07/2019 9:00 AM	<u>HB 1192</u>	A bill relating to defining and delineating the ordinary high water mark of a navigable body of water; relating to the definition and determination of ordinary high water mark; and to provide for an application.	Senate Energy and Natural Resources	Fort Lincoln
03/07/2019 9:30 AM	<u>SB 2295</u>	Relating to permitting an irrigation district to assess lands requiring drainage as a result of irrigation works.	House Agriculture	Peace Garden

03/07/2019 10:30 AM	<u>SB 2044</u>	Relating to tampering with or damaging a critical infrastructure facility or a public service; and to provide a penalty.	House Energy and Natural Resources	Coteau A
03/07/2019 2:00 PM	<u>SB 2358</u>	Relating to the definition of a watercourse.	House Energy and Natural Resources	Coteau A
03/08/2019 2:00 PM	<u>SB 2293</u>	Relating to the creation of the aquatic nuisance species program fund and surcharges for fishing and waterfowl licenses; to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code, relating to the investment of the state game and fish fund; and to provide a continuing appropriation.	House Energy and Natural Resources	Coteau A

IV. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"	PASSED	
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	PASSED
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	PASSED
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED

<u>SB 2091</u>	Floodplain Management Community Standards	PASSED	PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		PASSED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Thursday, February 21, 2019 1:56 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 10

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—North Dakota Water Users — February 21, 2019 No. 10

Legislative Report

Hearing Schedule (February 27 – March 1).

All of bills being tracked by the North Dakota Water Users Association are included in this report. These bills are tracked these because they have a direct or indirect impact on water management.

I. Legislative Crossover

Legislators finished the first half of the 2019 Legislative Session on Wednesday, two days before Friday's Crossover deadline. Crossover marks the point when each chamber must act on the bills that originated in their chamber. Legislators resume work Wednesday, February

27 after a short recess. Significant work will need to be done after Crossover to balance the budget. Much will depend on the final revenue forecast of the session expected next month.

II. Status Report

Funding:

SB 2020 Passed on the Senate floor with a vote of 44-1 on Friday, February 15. This is the appropriations bill for the State Water Commission. The Senate Appropriations Committee adopted amendments to authorize line-item funding in four “bucket” categories. The allocations of the \$350M of anticipated revenue for new grants were distributed as follows:

- Water Supply – grants \$115 million
- Rural Water – grants \$30 million
- Flood control – grants \$145 million
- General water management – grants \$35.255 million
- Increase to Capital Assets \$23.1 million

- Project Carryover \$33.5 million
- One-time line of credit funding \$75 million for capital projects

The bill reduces the SWC authorized FTEs by three net positions, from 93 to 90.

SB 2020 authorizes the appropriation of additional revenues above forecast in the Resources Trust Fund, the Water Development Trust Fund or federal funds, subject to Budget Section approval with the following conditions:

1. Approval of additional appropriation will not affect the 2021 Legislature’s ability to address water needs
2. Proposed use of additional income complies with legislative intent
3. The use of additional income will not result in future funding commitments

The bill includes a statement of legislative intent to extend the State commitment to the Fargo Flood Control Project:

- To continue to provide a portion of the non-federal project costs not to exceed \$703 million, which includes the \$120 million originally designated for Fargo interior flood control.
- Extend the biennial commitment of \$66.5 million two additional biennia to \$332.5 million over five biennia.

SB 2020 includes legislative intent that the SWC approve a grant of \$50 million for the RRV Water Supply Project from the Water Supply budget line-item; and after the 2019-21 biennium, the SWC provide grants to accomplish 80% state cost-share for the project.

- Lists requirements that the Garrison Diversion Conservancy District must certify compliance items with the SWC and the Budget Section in order to commence construction of the RRVWS Project

HB 1431 Passed on the House floor with a vote of 83-9 on Tuesday, February 19. This bill removes Mandan from SW Water Authority's mill levy.

SB 2213 Passed on the Senate floor with a vote of 40-6 on Monday, February 11. This bill extends the sunset clause for the SWWA mill levy until 2030.

SB 2293 Passed on the Senate floor with a vote of 45-2 on Monday, February 18. This bill creates funding to support aquatic nuisance species programs and enforcement. The bill establishes a \$3 surcharge on in-state fishing licenses (excluding senior citizen and disabled licenses) and \$6 surcharge on out-of-state fishing and waterfowl licenses.

Finance:

HB 1066 Passed the House with a vote of 80-12 on Wednesday, February 20. This bill is widely known as the "Prairie Dog Bill," revises the formula for the distribution of the gross production tax on oil and gas in a way that will fund Hub Cities and other oil-impacted communities in the 2019-2021 biennium at approximately the same rate as the current biennium. It would also establish "buckets" for non-oil producing cities, counties and townships to support infrastructure needs. The floor debate on this bill lasted for almost an hour and, while it was agreed by many that the bill was not perfect, passed because it was seen a good way to improve the state's aging infrastructure.

HB 1449 Failed on the House floor with a vote of 12-76 on Friday, February 8. This bill would have raised the oil extraction tax rate to 6.5%. Competition from other states with lower tax rates for oil extraction was the main concern.

SB 2275 Passed on the Senate floor with a vote of 45-0 on Friday, February 15. This bill creates an infrastructure revolving loan fund at the Bank of North Dakota with the lending terms supported with earnings from the Legacy Fund.

- SB 2275 proposes to allocate no more than \$55,000,000 of Legacy Fund earnings as a repayment source for appropriations bonds to provide funding for the Legislature's Infrastructure Revolving Loan Fund. The concept is to "disconnect" repayment of the bonds from use of the bond proceeds.
- The estimated bond proceeds to be used in the IRLF are approximately \$450,000,000.
- SB 2275 will enable loans for flood control, water supply and water management projects with a loan term up to 40-years, as opposed to 30-years for other projects. The committee agreed to the longer term because of the scale of water projects.
- SB 2275 consolidates the State Water Commission Revolving Loan Fund for water project loans into the IRLF. These loans are provided by the SWC in coordination with grants for projects approved by the SWC.

SCR 4005 Failed on the Senate floor with a vote of 11-34 on Thursday, January 31. This bill would have created a North Dakota infrastructure fund to be known as the North Dakota First fund to be administered by the North Dakota infrastructure board. The fund would have served as a grant and low-interest revolving loan fund from the principal and earnings of the legacy fund and would provide a procedure for political subdivisions to access grants and low-interest loans for permanent infrastructure projects. One of the main reasons the bill

failed was because it was a large fund and the type of fund it was and the way it was to be administered would put it at risk.

Property Use/Protections:

HB 1184 Failed on the House floor with a vote of 26-64 on Wednesday, February 20. The amended bill would have placed additional restrictions on the use of quick take by all political subdivisions, like what was imposed on water resource districts in 2017. The bill implemented treble damages and a possible two-year moratorium on quick-take authority if WRDs fail to comply with statutory time-lines.

HB 1207 Passed on the House floor with a vote of 80-13 on Tuesday, February 19. This bill awards reasonable costs awarded to defendants that prevail in eminent domain cases.

HB 1362 Passed on the House floor with a vote of 83-8 on Wednesday, February 20. This bill allows a utility to cross over or under the railroad right of way for the placement of facilities.

HB 1440 Failed on the House floor with a vote of 13-80 on Tuesday, January 29. This bill would have removed the water quality test requirement from protections for groundwater against mineral developers and required developers to collect soil samples and inventory water wells. The process was deemed duplicative and an unnecessary burden.

SB 2238 Failed on the Senate floor with a vote of 12-35 on Monday, February 18. This bill would have required county commissions to approve eminent domain proceedings over 320 acres. This bill was deemed to be an additional step in an already arduous process.

SB 2259 Failed on the Senate floor with a vote of 20-25 on Wednesday, January 30. This bill would have set out guidelines for evaluating property when being taken for eminent domain. This bill would have placed a burden political subdivisions and the NDDOT.

Water Resource Districts:

HB 1173 Passed on the House floor with a vote of 90-1 on Thursday, January 17. This bill reduces the cost of appeals to local government.

HB 1243 Failed on the House floor with a vote of 12-80 on Wednesday, January 30. This bill would have required all easements to be recorded. The timelines that would have been imposed and when exactly the easements are created were the main concerns with the bill.

HB 1299 Failed on the House floor with a vote of 18-75 on Tuesday, January 29. This bill would have made an easement, servitude, or nonappurtenant restriction obtained for the purpose of building a pipeline considered abandoned if the pipeline is not built within twenty years of the date the restriction was obtained. Restricting a landowners' right to negotiate a contract beyond a 20 year period for a pipeline easement was the main concern with this bill.

HB 1302 Passed on the House floor with a vote of 86-4 on Friday, February 15. This bill allows the person whose land was taken for eminent domain by the state or a political subdivision to have the opportunity to purchase the land back if it is no longer needed.

HB 1314 Failed on the House floor with a vote of 12-80 on Wednesday, January 30. This bill would have adjusted the compensation of WRD board members to be consistent with the state legislature and state officers. The main concern was tying a local governing body's pay to that of a legislator.

HB 1514 Failed on the House floor with a vote of 28-62 on Wednesday, February 20. This bill would have repealed section 61-32-03.1, which requires permits for subsurface water management systems. The primary reason this bill failed was because the legislators felt that the changes made in the 2017 session should remain and the ideas were good, but it was not the time for the legislation.

SB 2139 Passed on the Senate floor with a vote of 41-5 on Friday, February 1. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations in natural waterways. Representative Schmidt and Senator Schaible provided an amendment which requires all water boards to develop a plan for water conveyance projects with other water boards in a common basin. This amendment was not adopted, but may be studied under SCR 4009.

SB 2166 Failed on the Senate floor with a vote of 2-44 on Tuesday, February 5. This bill would have raised the total liability of political subdivisions from \$250K to \$1M per person and from \$1M to \$4M for any number of claims arising from any single occurrence regardless of the number of political subdivisions, or employees of such political subdivisions, which are involved in that occurrence. This would have doubled some current limits and current rates are evaluated regularly, which is a major reason why it did not pass.

SB 2174 Failed on the Senate floor with a vote of 4-40 on Monday, February 4. This bill would have required elections for WRD board members and set term limits. The bill was defeated because WRD boards are held accountable to County Commissions and the positions may be politicized.

SB 2220 Failed on the Senate floor with a vote of 14-32 on Thursday, February 7. This bill would have allowed WRD to charge actual costs associated with permits and allowed a WRD board to review completed applications up to 45 days after receipt. The primary reason this bill was defeated was because it was felt that the 2017 changes should remain as they are.

SCR 4009 Passed on the Senate floor on Friday, February 8. This bill would authorize a legislative interim study of the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basin-wide needs.

Agriculture/Irrigation:

HB 1020 Passed on the House floor with a vote of 79-14 on Wednesday, February 20. This bill provides funding for the 2019-2021 SBARE priorities. House action resulted in a 3% base level decrease from the 2017-19 biennium. Extension was increased by 4.6% of the 2017-19 funding level. The House included funding for salary increases (2% and 2%) and fully funded health insurance. Funding for SBARE priorities include one-time funding of \$1.4 million from the strategic investment and improvements fund for extraordinary repairs and \$750,000 for the Williston seed cleaning plant, including \$250,000 from the general fund and \$500,000 from other funds.

HB 1085 Passed on the House floor with a vote of 87-2 on Thursday, January 10. This bill would amend the drought disaster livestock water assistance program to remove the \$3,500 funding limit and raises the limit to \$4,500 to address increased costs.

HB 1087 Passed on the House floor with a vote of 87-3 on Tuesday, January 22. This bill excludes agricultural dikes two feet in height or less from requiring a PE to submit plans and specs be reviewed by the State Engineer.

SB 2090 Passed on the Senate floor with a vote of 42-2 on Monday, February 4. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500, industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

SB 2295 Passed on the Senate floor with a vote of 46-0 on Friday, February 8. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

SB 2315 Passed on the Senate floor with a vote of 28-18 on Wednesday, February 20. This bill reverses the presumption that all land is considered open and requires people to seek permission to access private property, except for hunting, where designations of open or closed will be indicated on an electric database. This bill also authorizes the development of a publicly available, electronic, hunter access database, wherein land will be designed as green (hunters welcome without asking); yellow (hunting may be allowed with permission); and red (no hunting available). Contact information will be provided for parcels indicated as yellow. If the landowner does not provide information for the database, the land will be designated as green. This bill also allows traditional signs to be used if landowners prefer them. Signs take precedence over the database. Lastly, this bill establishes an advisory group, including landowners and sportsmen, to oversee the development of the database so it meets stakeholder needs.

SB 2360 Passed on the Senate floor with a vote of 34-11 on Monday, February 18. This bill changes the definition of farm income from net to gross income for purposes of qualification for the farm home property tax exemption. The bill adopts the IRS definition of a farmer, which is two-thirds or more of annual gross income from farming activities during any of the

two preceding calendar years. It also removes the present \$40,000 cap for allowable off-farm income.

Ethics:

HB 1521 Passed on the House floor with a vote of 81-9 on Wednesday, February 20. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists.

SB 2148 Passed on the Senate floor with a vote of 46-0 on Tuesday, February 19. This bill establishes an ethics commission and outlines the complaint process for violations.

Watercourses:

HB 1086 Failed on the House floor with a vote of 0-91 on Thursday, January 31. This bill related to the waters of the state. WOTUS negatively impacted the bill and its intent was unclear, causing concern.

HB 1192 Passed on the House floor with a vote of 80-13 on Tuesday, February 19. This bill adds a definition of ordinary high water mark to N.D.C.C. ch. 61-33.1 and adds a section requiring the State Engineer to maintain ordinary high water mark delineation guidelines as provided.

HB 1428 Failed on the House floor with a vote of 38-54 on Wednesday, February 6. This bill would have formed a Missouri River council to conduct acquisitions and manage the Missouri River shoreline. The proposed council was too viewed as too similar to the already established Missouri River Advisory Council and was deemed duplicative and potentially confusing.

SB 2342 Passed on the Senate floor with a vote of 37-9 on Friday, February 8. This bill sets noise restrictions on the operation of airboat watercraft without mufflers.

SB 2358 Passed on the Senate floor with a vote of 44-1 on Friday, February 15. This bill would study adding a creek, river, or stream appearing in a plat book to the definition of a watercourse.

Infrastructure/Construction/Contracts:

HB 1136 Passed on the House floor with a vote of 91-0 on Friday, January 25. This bill allows a governing body to award a contract for each portion of the public improvement project that received bids and readvertise for bids on the portion of the project that did not receive bids if a bid for general, electrical, or mechanical portions of a public improvement project are not received.

HB 1356 Passed on the House floor with a vote of 54-37 on Wednesday, February 20. This bill requires that the state and its political subdivisions may not engage in the construction of public works involving the practice of professional engineering when the contemplated expenditure for the project exceeds the sum of two hundred fifty thousand dollars, unless the engineering drawings and specifications and estimates have been prepared by, and the construction administration and construction observation services are executed under the supervision of, a registered professional engineer.

SB 2044 Passed on the Senate floor with a vote of 42-3 on Friday, February 15. This bill provides penalties for tampering with critical infrastructure and defines a critical infrastructure facility.

SB 2091 Passed on the Senate floor with a vote of 46-1 on Monday, January 14. This bill allows permissible structures within a flood fringe to be constructed on piers or columns, or other methods allowed by FEMA.

HB 1320 Passed on the House floor with a vote of 73-19 on Wednesday, February 13. This bill removes voter approval requirements for some RRVWS projects and allows contract terms to exceed forty years.

III. 2019 Legislative Deadlines and Dates

February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: February 27 - March 1, 2019

Date and Time	Bill Number	Short Title	Committee	Room
02/27/2019 10:00 AM	<u>HB 1173</u>	Relating to costs of appeals of local government decisions.	Senate Judiciary	Fort Lincoln
02/28/2019 9:15 AM	<u>SB 2090</u>	Relating to permits for the appropriation of water, to appeals of permit application rejections, change in point of diversion or use, surplus water delivery, and a prescriptive water right.	House Energy and Natural Resources	Coteau A
02/28/2019 9:30 AM	<u>SB 2091</u>	Relating to floodplain management community standards for permissible uses within the flood fringe.	House Energy and Natural Resources	Coteau A

03/01/2019 9:30 AM	<u>SB 2139</u>	Relating to cost-sharing and duties of the state water commission.	House Energy and Natural Resources	Coteau A
03/01/2019 10:00 AM	<u>HB 1320</u>	A bill relating to Red River valley water supply project contract terms and elimination of voter approval requirements.	Senate Energy and Natural Resources	Fort Lincoln

V. Legislative Bills Tracked (To Date)

Note that all failed bills will be removed form the tracking list after this report.

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"	PASSED	
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State	FAILED	
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain	FAILED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1243</u>	Recording of Easements	FAILED	
<u>HB 1299</u>	Duration of Pipeline Easements	FAILED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members	FAILED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline	FAILED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	
<u>HB 1440</u>	Protection of Groundwater	FAILED	
<u>HB 1449</u>	Oil Extraction Tax Rate	FAILED	
<u>HB 1514</u>	Eliminates Tile Permitting Process	FAILED	
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	

<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		FAILED
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		FAILED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		PASSED
<u>SB 2220</u>	WRD Tile Permits		FAILED
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		FAILED
<u>SB 2259</u>	Valuation of Property		FAILED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		FAILED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Monday, February 18, 2019 8:13 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 9

Shelley Haugen
Constituent Services

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, February 15, 2019 4:26 PM
Subject: Legislative Report No. 9

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— *North Dakota Water Users* — February 15, 2019 No. 9

Legislative Report

It is the homestretch of the legislative session's first half with next Friday, Feb. 22, the official Crossover date when bill action should be complete in its originating chamber. Legislators will take a two-day recess Feb. 25-26 and then return to work Feb. 27.

It is expected approved first-half appropriations for 2019-2021 will exceed the revenue forecast, which is typical each session. Significant work will need to be done after Crossover to balance the budget. Much will depend on the final revenue forecast of the session expected next month.

Hearing Schedule (February 18 – February 22).

There are not hearings of bills scheduled for bill being tracked by the North Dakota Water Users Association.

I. This Week at the Legislature

HB 1085 was heard before the Senate Agriculture Committee on Friday, February 15. This bill would amend the drought disaster livestock water assistance program to remove the \$3,500 funding limit and raises the limit to \$4,500 to address increased costs. This bill passed on the House floor with a vote of 87-2 on Thursday, January 10.

HB 1087 was heard before the Senate Agriculture Committee on Friday, February 15. This bill excludes agricultural dikes two feet in height or less from requiring a PE to submit plans and specs be reviewed by the State Engineer. This bill passed on the House floor with a vote of 87-3 on Tuesday, January 22.

HB 1207 was amended on Thursday, February 14 to allow the costs and attorney fees to be awarded to a defendant who prevails in an eminent domain case.

HB 1302 passed on the House floor on Friday, February 15 with an 86-4 vote. This bill allows the person whose land was taken for eminent domain by the state or a political subdivision to have the opportunity to purchase the land back if it is no longer needed.

HB 1320 passed on the House floor on Wednesday, February 13 with a 73-19 vote. This bill removes voter approval requirements for some RRVWS projects and allows contract terms to exceed forty years.

HB 1514 was amended on Friday, February 15 to require the installer of the tiling system to hold a \$500,000 bond and record the tile location with the county water board. It also received a 10-2 DO NOT PASS recommendation out of the committee. This bill repeals section 61-32-03.1, which requires permits for subsurface water management systems.

HB 1521 was heard before the Ethics Committee on Tuesday, February 12. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists.

SB 2020 passed on the Senate floor on Friday, February 15 with a 44-1 vote. SB 2020 includes a statement of legislative intent that the SWC approve a grant of \$50 million for the RRV Water Supply Project and after the 2019-21 biennium, the SWC provide grants to accomplish 80% state cost-share for the project. The bill also includes a section of legislative intent to extend the State commitment to the Fargo Flood Control Project, wherein the state will continue to provide a portion of the non-federal project costs not to exceed \$703 million, which includes the \$120 million originally designated for Fargo interior flood control. The intent of the legislature is the biennial commitment of \$66.5 million be extended two additional biennia to total an additional \$332.5 million over five biennia. During the floor session, Senator Luick proposed an amendment to remove Section 5 (the Fargo flood control project intent) from the bill, creating Division A, SB 2020 without Section 5, and Section B, Section 5 of SB 2020, to be voted on separately. Division A passed 45-0 and Division B passed 40-5.

SB 2044 passed on the Senate floor on Friday, February 15 with a 42-3 vote. This bill provides penalties for tampering with critical infrastructure and defines what a critical infrastructure facility is.

SB 2148 was heard before the Ethics Committee on Tuesday, February 12. This bill establishes and ethics commission and outlines the complaint process for violations.

SB 2213 passed on the Senate floor on Monday, February 11 with a 40-6 vote. This bill extends the sunset clause for the SWWA mill levy until 2030.

SB 2315 would have reversed the presumption that all land is considered open to hunting and required permission without having to post signs. The bill has been amended by the Ag Committee to maintain the presumption of open land unless it is physically posted with a sign or posted on the landowner database. A database and app will be created to provide a color-coded map to indicate land open to hunting, requires permission to hunt, or unavailable to hunters. The amendments will also establish an advisory committee that includes representation from the Department of Agriculture, Game and Fish Department, Information Technology Department, Association of Counties and Agriculture groups.

SB 2275 passed on the Senate floor on Friday, February 15 with a 45-0 vote. SB 2275 was heard before the Senate Appropriations Committee on Wednesday, February 13. This bill creates an infrastructure revolving loan fund at the Bank of North Dakota with the lending terms supported with earnings from the Legacy Fund. The following points relating to water projects were presented to the Committee:

- SB 2275 proposes to allocate no more than \$55,000,000 of Legacy Fund earnings as a repayment source for appropriations bonds to provide funding for the Legislature's Infrastructure Revolving Loan Fund. The concept is to "disconnect" repayment of the bonds from use of the bond proceeds.
- The estimated bond proceeds to be used in the IRLF are approximately \$450,000,000.
- SB 2275 will enable loans for flood control, water supply and water management projects with a loan term up to 40-years, as opposed to 30-years for other projects. The committee agreed to the longer term because of the scale of water projects.
- SB 2275 consolidates the State Water Commission Revolving Loan Fund for water project loans into the IRLF. These loans are provided by the SWC in coordination with grants for projects approved by the SWC.

SB 2358 passed on the Senate floor on Friday, February 15 with a 44-1 vote. This bill would study adding a creek, river, or stream appearing in a plat book to the definition of a watercourse.

II. 2019 Legislative Deadlines and Dates

February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

III. HEARING SCHEDULE: February 18 - February 22, 2019

Date and Time	Bill Number	Short Title	Committee	Room
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02/18/2019 9:00 AM	<u>SB 2148</u>	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.	Senate Appropriations	Harvest
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IV. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State	FAILED	
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1192</u>	Ordinary High Water Marks		
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements	FAILED	
<u>HB 1299</u>	Duration of Pipeline Easements	FAILED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members	FAILED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		

<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline	FAILED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater	FAILED	
<u>HB 1449</u>	Oil Extraction Tax Rate	FAILED	
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>HB 1521</u>	Reporting Campaign Contributions		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		FAILED
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		FAILED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		PASSED
<u>SB 2220</u>	WRD Tile Permits		FAILED
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		
<u>SB 2259</u>	Valuation of Property		FAILED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		FAILED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Friday, February 8, 2019 3:28 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 8

Shelley Haugen
Constituent Services

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Sent: Friday, February 08, 2019 3:20 PM
Subject: Legislative Report No. 8

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— North Dakota Water Users — February 8, 2019 No. 8

Legislative Report

Hearing Schedule (February 11 – February 15).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1428 failed on the House floor on Wednesday, February 6 with a 38-54 vote. This bill would have formed a Missouri River council to conduct acquisitions and manage the Missouri River shoreline.

HB 1431 was heard before the House Political Subdivisions Committee on Thursday, February 7. This bill removes Mandan from SW Water Authority's mill levy.

HB 1449 failed on the House floor on Friday, February 8 with a 12-76 vote. This bill would have raised the oil extraction tax rate to 6.5%.

HB 1521 was heard before the Ethics Committee on Thursday, February 7. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists.

SB 2020 was reviewed by the Senate Appropriations subcommittee on Tuesday, February 5. Regarding funding, the subcommittee agreed by consensus to continue the present biennium funding "buckets", though it seems the proposal for 2019-21 are for the apportionments to be budget bill line items rather than stated legislative intent. The allocations of the \$350M of anticipated revenue for new grants would be approximately similar percentages to the present distribution:

- Water Supply \$115 million
- Rural Water \$30 million
- Flood control \$145 million
- General water management (to include irrigation and Water Resource District projects) \$35.3 million
- \$75 million line of credit for capital projects

SB 2090 passed on the Senate floor on Monday, February 4 with a 42-2 vote. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500, industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

SB 2148 was heard before the Ethics Committee on Wednesday, February 6. This bill establishes an ethics commission and outlines the complaint process for violations.

SB 2166 failed on the Senate floor on Tuesday, February 5 with a 2-44 vote. This bill would have raised the total liability of political subdivisions from \$250K to \$1M per person and from \$1M to \$4M for any number of claims arising from any single occurrence regardless of the number of political subdivisions, or employees of such political subdivisions, which are involved in that occurrence.

SB 2174 failed on the Senate floor on Monday, February 4 with a 4-40 vote. This bill would have required elections for WRD board members and sets term limits.

SB 2220 failed on the Senate floor on Thursday, February 7 with a 14-32 vote. This bill would have allowed WRDs to charge actual costs associated with permits and allows a WRD board to review completed applications up to 45 days after receipt.

SB 2295 passed on the Senate floor on Friday, February 8 with a 46-0 vote. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

SB 2342 passed on the Senate floor on Friday, February 8 with a 37-9 vote. This bill sets noise restrictions on the operation of airboat watercraft at night.

SCR 4009 passed on the Senate floor on Friday, February 8. This bill would direct Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basinwide needs.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a breakfast and a social for all North Dakota legislators **Tuesday, February 12** from **8:00 a.m. – 9:00 a.m.** in the **Brynhild Haugland room** at the capitol and **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

February 12	Rural Water/North Dakota Water Coalition Legislative Social
February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: February 11 - February 15, 2019

Date and Time	Bill Number	Short Title	Committee	Room
02/12/2019 2:30 PM	<u>SB 2148</u>	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and	Ethics	Pioneer

		reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.		
02/12/2019 3:00 PM	<u>HB 1521</u>	Relating to reporting campaign contributions, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact section 16.1-08.1-01, subsection 4 of section 16.1-08.1-02.1, sections 16.1-08.1-02.3, 16.1-08.1-02.4, 16.1-08.1-03.1, 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, 28-32-08, 28-32-08.1, 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, subsections 2 and 4 of section 28-32-19, and section 28-32-27 of the North Dakota Century Code, relating to rulemaking procedures, disqualification of hearing officers, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.	Ethics	Pioneer

02/15/2019 9:00 AM	<u>HB 1085</u>	Relating to the drought disaster livestock water assistance program; and to declare an emergency.	Senate Agriculture	Roosevelt Park
02/15/2019 10:00 AM	<u>HB 1087</u>	Relating to a permit to construct or modify a dam, dike, or other device.	Senate Agriculture	Roosevelt Park

V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State	FAILED	
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1192</u>	Ordinary High Water Marks		
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements	FAILED	
<u>HB 1299</u>	Duration of Pipeline Easements	FAILED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain		
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members	FAILED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline	FAILED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater	FAILED	
<u>HB 1449</u>	Oil Extraction Tax Rate	FAILED	
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>HB 1521</u>	Reporting Campaign Contributions		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		

<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		FAILED
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		FAILED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		
<u>SB 2220</u>	WRD Tile Permits		FAILED
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		
<u>SB 2259</u>	Valuation of Property		FAILED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		FAILED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

VI. SB 2275

SB 2275 was amended this week. It is looking like the water project loan vehicle of choice. We are engaged on this bill and will report any updates. Below are some of the main points of the bill pertaining to water:

- SB2275 proposes to allocate no more than \$55,000,000 of Legacy Fund earnings as a repayment source for appropriations bonds to provide funding for the Legislature's Infrastructure Revolving Loan Fund. The concept is to "disconnect" repayment of the bonds from use of the bond proceeds.
- The estimated bond proceeds to be used in the IRLF are approximately \$450,000,000.
- SB2275 will enable loans for flood control, water supply and water management projects with a loan term up to 40-years, as opposed to 30-years for other projects. The committee agreed to the longer term because of the scale of water projects.
- SB2275 consolidates the State Water Commission Revolving Loan Fund for water project loans into the IRLF. These loans are provided by the SWC in coordination with grants for projects approved by the SWC.

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Friday, February 1, 2019 2:53 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 7

Shelley Haugen
Constituent Services

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, February 01, 2019 2:40 PM
Subject: Legislative Report No. 7

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— North Dakota Water Users — February 1, 2019 No.7

Legislative Report

Hearing Schedule (February 4 – February 8).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1440 failed on the House floor on Tuesday, January 29 with a 13-80 vote. This bill would have removed the water quality test requirement from protections for groundwater against mineral developers and requires developers to collect soil samples and inventory water wells.

HB 1299 failed on the House floor on Tuesday, January 29 with a 18-75 vote. This bill would have made an easement, servitude, or nonappurtenant restriction obtained for the purpose of building a pipeline considered abandoned if the pipeline is not built within twenty years of the date on which the easement, servitude, or nonappurtenant restriction was obtained.

HB 1302 was heard before the House Judiciary Committee on Tuesday, January 29. This bill allows the person whose land was taken for eminent domain by the state or a political subdivision to have the opportunity to purchase the land back if it is no longer needed. Keely Torgerson attended and monitored the hearing.

SB 2020 was reviewed by the Senate Appropriations subcommittee on Tuesday, January 29. The meeting consisted of a review by Legislative Council and SWC staff of the status of the current budget and anticipated carryover; a description of the funding categories in the baseline budget (current biennium funding levels), a review of carryover funds and anticipated 2019-21 revenue for grants and capital projects. The legislature's revised January 2019 revenue forecast dropped the revenue estimate from \$403 million to \$350 million.

HB 1314 failed on the House floor on Wednesday, January 30 with a 12-80 vote. This bill would have adjusted the compensation of WRD board members to be consistent with the state legislature and state officers.

HB 1243 failed on the House floor on Wednesday, January 30 with a 12-80 vote. This bill would have required all easements to be recorded.

SB 2259 failed on the Senate floor on Wednesday, January 30 with a 20-25 vote. This bill would have set out guidelines for evaluating property when being taken for eminent domain.

SB 2148 was heard before the Ethics Committee on Wednesday, January 30. This bill establishes an ethics commission and outlines the complaint process for violations. Lance Gaebe attended and monitored the hearing.

HB 1521 was heard before the Ethics Committee on Wednesday, January 30. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists. Lance Gaebe attended and monitored the hearing.

HB 1086 failed on the House floor on Thursday, January 31 with a 0-91 vote. This bill related to the waters of the state.

SCR 4005 failed on the Senate floor on Thursday, January 31 with a 11-34 vote. This bill would have created a North Dakota infrastructure fund to be known as the North Dakota first fund to be administered by the North Dakota infrastructure board. The fund would have served as a grant and low-interest revolving loan fund from the principal and earnings of the legacy fund and would provide a procedure for political subdivisions to access grants and low-interest loans for permanent infrastructure projects.

HB 1362 was heard before the House Political Subdivisions Committee on Thursday, January 31. This bill allows a utility to cross over or under the railroad right of way for the placement of facilities.

SB 2358 was heard before the Senate Energy and Natural Resources Committee on Thursday, January 31. This bill adds a creek, river, or stream appearing in a plat book to the definition of a watercourse. Jack Dwyer and Keely Torgerson attended and monitored the hearing.

SB 2342 was heard before the Senate Energy and Natural Resources Committee on Thursday, January 31. This bill sets noise restrictions on the operation of watercraft at night. Keely Torgerson attended and monitored the hearing.

SB 2238 was heard before the Senate Agriculture Committee on Thursday, January 31. This bill requires county commissions to approve eminent domain proceedings. Jack Dwyer attended the hearing and provided testimony in opposition on behalf of ND Water Users.

SCR 4009 was heard before the Senate Energy and Natural Resources Committee on Thursday, January 31. This bill would direct Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basinwide needs. Jack Dwyer attended and monitored the hearing.

SB 2139 passed on the Senate floor on Friday, February 1 with a 41-5 vote. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations.

HB 1514 was heard before House Agriculture Committee on Friday, February 1. This bill repeals section 61-32-03.1, which requires permits for subsurface water management systems. Chad Engles provided testimony in opposition the bill on behalf of the NDWRDA and a number of other members of the water community also provided testimony in opposition. Jack Dwyer and Keely Torgerson also attended and monitored the hearing.

HB 1320 was heard before the House Energy and Natural Resource Committee on Friday, February 1. This bill removes voter approval requirements for some RRVWS projects and allows contract terms to exceed forty years. Keely Torgerson attended and monitored the hearing.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a breakfast and a social for all North Dakota legislators **Tuesday, February 12** from **8:00 a.m. – 9:00 a.m.** in the **Brynild Haugland room** at the capitol and **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

February 12 Rural Water/North Dakota Water Coalition Legislative Social
 February 22 Crossover for bills
 February 25-26 Recess
 March 6 Crossover for resolutions
 April 23 Session is limited to 80 legislative days

IV. HEARING SCHEDULE: February 4 - February 8, 2019

Date and Time	Bill Number	Short Title	Committee	Room
02/05/2019 2:31 PM	<u>SB 2020</u>	<i>Subcommittee Meeting - A BILL for an Act to provide an appropriation for defraying the expenses of the state water commission.</i>	Senate Appropriations	Senate Conference Room
02/06/2019 2:30 PM	<u>SB 2148</u>	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.	Ethics	Pioneer
02/07/2019 8:30 AM	<u>HB 1431</u>	Relating to the parts of the state included in the southwest water authority and the membership of the board of directors of the southwest water authority; and to provide an effective date.	House Political Subdivisions	Prairie

02/07/2019 3:00 PM	<u>HB 1521</u>	Relating to reporting campaign contributions, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact section 16.1-08.1-01, subsection 4 of section 16.1-08.1-02.1, sections 16.1-08.1-02.3, 16.1-08.1-02.4, 16.1-08.1-03.1, 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, 28-32-08, 28-32-08.1, 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, subsections 2 and 4 of section 28-32-19, and section 28-32-27 of the North Dakota Century Code, relating to rulemaking procedures, disqualification of hearing officers, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.	Ethics	Pioneer
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V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State	FAILED	
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1192</u>	Ordinary High Water Marks		

<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements	FAILED	
<u>HB 1299</u>	Duration of Pipeline Easements	FAILED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain		
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members	FAILED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline		
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater	FAILED	
<u>HB 1449</u>	Oil Extraction Tax Rate		
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>HB 1521</u>	Reporting Campaign Contributions		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		
<u>SB 2090</u>	Permits for the Appropriation of Water		
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		
<u>SB 2220</u>	WRD Tile Permits		
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		
<u>SB 2259</u>	Valuation of Property		FAILED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		
<u>SB 2342</u>	Noise Restrictions on Watercraft		
<u>SB 2358</u>	Definition of a Watercourse		
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		FAILED
<u>SCR 4009</u>	Joint Water Resource Board Study		

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Monday, January 28, 2019 9:11 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 6
Attachments: image001.emz

Shelley Haugen
Constituent Services

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, January 25, 2019 4:35 PM
Subject: Legislative Report No. 6

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— *North Dakota Water Users* — *January 25, 2019 No.6*

Legislative Report

It's Day 15, and bill introductions are complete, except for amendments to the constitution and study resolutions. Committees are busy with hearings and committee work to pass out nearly a thousand bills and resolutions, a 10-year high number of bills by the Crossover deadline.

Measure 1

Both the Senate and the House appointed special committees to consider implementing legislation for Measure 1/Ethics Commission as follows:

- House Ethics Committee: Rep. Kasper, Rep. Louser, Rep. D. Anderson, Rep. Headland, Rep. Heinert, Rep. K. Koppelman, Rep. Lefor, Rep. Rohr, Rep. D. Ruby, Rep. Steiner, Rep. Boschee, Rep. Mitskog, Rep. Mock
- Senate Special Committee on Ethics: Sen. Hogue, Sen. Unruh, Sen. Anderson, Sen. Dever, Sen. Poolman, Sen. Oban, Sen. Mathern

Two bills have been introduced to date: HB 1521 and SB 2148.

Hearing Schedule (January 28 – February 1).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1207 was heard before the House Judiciary Committee on Monday, January 21. This bill awards reasonable costs awarded to defendants in eminent domain cases. Jack Dwyer provided testimony in support of this measure.

HB 1136 was heard before the House Industry, Business and Labor Committee on Tuesday, January 22. This bill allows a governing body to award a contract for each portion of the project the received bids and readvise for bids on the portion of the project that did not receive bids if a bid for general, electrical, or mechanical portions of a project are not received.

HB 1184 was heard before the House Judiciary Committee on Tuesday, January 22. This bill eliminates the ability of state and local government authorities to from using quick take eminent domain or acquiring an easement for a right of way through the use of quick take eminent domain. Jack Dwyer provided testimony in opposition to this measure.

HB 2275 was heard before the Senate Finance and Taxation Committee on Tuesday, January 22. This bill would create an infrastructure revolving loan fund at the Bank of North Dakota with the moneys in the legacy fund. Lance Gaebe provided testimony in support of this measure.

HB 1449 was heard before the House Finance and Taxation Committee on Wednesday, January 23. This bill raises the oil extraction tax rate to 6.5%.

SB 2020 was heard before the Senate Appropriations Committee on Thursday, January 24. This is the appropriations bill for the State Water Commission. This hearing was focused on the F-M Diversion and its funding request.

HB 1192 was heard before the House Energy and Natural Resources Committee on Thursday, January 24. This bill defines adds a definition of ordinary high water mark to N.D.C.C. ch. 61-33.1 and adds a section requiring the State Engineer maintain ordinary high water mark delineation guidelines as provided.

HB 1428 was heard before the House Energy and Natural Resources Committee on Thursday, January 24. This bill forms a Missouri River council to conduct acquisitions and manage the Missouri River shoreline.

SB 2220 was heard before the Senate Agriculture Committee on Thursday, January 24. This bill allows WRD to charge actual costs associated with permits and allows a WRD board to review completed applications up to 45 after receipt. Jack Dwyer provided testimony in support of this measure.

HB 1440 was heard before the House Energy and Natural Resources Committee on Thursday, January 24. This bill removes the water quality test requirement from protections for groundwater against mineral developers and requires developers to collect soil samples and inventory water wells.

SB 2213 was heard before the Senate Political Subdivisions Committee on Thursday, January 24. This bill removes the sunset clause for the Southwest Water Authority mill levy. Jack Dwyer provided testimony in support of this measure.

HB 1314 was heard before the House Political Subdivisions Committee on Thursday, January 24. This bill adjusts the compensation of WRD board members to be consistent with the state legislature and state officers.

SB 2139 was heard before the Senate Political Subdivisions Committee on Thursday, January 24. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations. Jack Dwyer provided testimony in support of this measure.

SB 2293 was heard before the Senate Energy and Natural Resources Committee on Friday, January 25. This bill creates funding mechanisms to support ANS programs. Lance Gaebe coordinated testimony and Mary Massad spoke in support of this measure on behalf of Water Users.

SB 2295 was heard before the Senate Energy and Natural Resources Committee on Friday, January 25. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a breakfast and a social for all North Dakota legislators **Tuesday, February 12 from 8:00 a.m. – 9:00 a.m.** in the **Brynild Haugland room** at the capitol and **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

February 12	Rural Water/North Dakota Water Coalition Legislative Social
February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: January 28 - February 1, 2019

Hearing Date	Bill Number	Subject	Committee	Region
01/29/2019 3:30 PM	<u>HB 1302</u>	Relating to the sale of property acquired by eminent domain or acquired when the property was eligible for taking by eminent domain, but no longer needed for a public purpose; and to amend and reenact section 24-01-28 of the North Dakota Century Code, relating to vacating property acquired through eminent domain for highways.	House Judiciary	Prairie
01/30/2019 2:00 PM	<u>SB 2148</u>	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.	Ethics	Pioneer

01/31/2019 8:30 AM	<u>HB 1362</u>	Relating to the right of utilities to cross over or under a railroad right of way; and to provide for application.	House Political Subdivisions	Prairie
01/31/2019 10:00 AM	<u>SB 2238</u>	Relating to powers of the board of county commissioners; and to amend and reenact section 32-15-01 of the North Dakota Century Code, relating to limitations on eminent domain authority.	Senate Agriculture	Roosevelt Park
02/01/2019 9:00 AM	<u>HB 1320</u>	Relating to Red River valley water supply project contract terms and elimination of voter approval requirements.	House Energy and Natural Resources	Coteau A
02/01/2019 9:00 AM	<u>HB 1514</u>	Relating to an exemption from permitting requirements for subsurface water management systems; and to repeal section 61-32-03.1 of the North Dakota Century Code, relating to permitting subsurface water management systems.	House Agriculture	Peace Garden

V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State		
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements		
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1192</u>	Ordinary High Water Marks		
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements		
<u>HB 1299</u>	Duration of Pipeline Easements		
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain		
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members		

<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline		
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater		
<u>HB 1449</u>	Oil Extraction Tax Rate		
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		
<u>SB 2090</u>	Permits for the Appropriation of Water		
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		
<u>SB 2220</u>	WRD Tile Permits		
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		
<u>SB 2259</u>	Valuation of Property		
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Monday, January 21, 2019 8:26 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 5
Attachments: image001.emz

Shelley Haugen
Constituent Services

701.328.2208 • skhaugen@nd.gov • www.governor.nd.gov



From: ND Water Info <staff@ndwater.net>
Sent: Friday, January 18, 2019 4:00 PM
Subject: Legislative Report No. 5

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— *North Dakota Water Users* — *January 18, 2019 No.5*

Legislative Report

This session has seen the most bills and resolutions introduced in 10 years.

Monday is the final day for senators to introduce bills, and Thursday is the deadline for introducing resolutions except amendments to the constitution and study resolutions.

Hearing Schedule (January 21 – January 25).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1013 was heard before the House Appropriations – Government Operations Division Committee on Tuesday, January 15. This bill provides an appropriation for defraying the expenses of the commissioner of university and school lands; and to provide for distributions from permanent funds.

SCR 4005 was heard before the Senate Finance and Taxation Committee on Tuesday, January 15. This bill would create a North Dakota infrastructure fund to be known as the North Dakota first fund to be administered by the North Dakota infrastructure board. The fund would serve as a grant and low-interest revolving loan fund from the principal and earnings of the legacy fund and would provide a procedure for political subdivisions to access grants and low-interest loans for permanent infrastructure projects.

HB 1066 was heard before the House Finance and Taxation Committee on Tuesday, January 15. This bill is widely known as the “Prairie Dog Bill” and revises the formula for the distribution of the gross production tax on oil and gas in a way that will fund Hub Cities and other oil-impacted communities in the 2019-2021 biennium at approximately the same rate as the current biennium. It would also establish “buckets” for non-oil producing cities, counties and township to support infrastructure needs.

HB 1014 was heard before the House Appropriations – Government Operations Division Committee on Wednesday January 16. This bill provides for an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial commission; and to provide for a transfer.

HB 1356 was heard before the House Political Subdivisions Committee on Thursday, January 17. This bill requires that the state and its political subdivisions may not engage in the construction of public works involving the practice of professional engineering when the contemplated expenditure for the project exceeds the sum of two hundred fifty thousand dollars, unless the engineering drawings and specifications and estimates have been prepared by, and the construction administration and construction observation services are executed under the supervision of, a registered professional engineer.

SB 2166 was heard before the Senate Political Subdivisions Committee on Thursday, January 17. This bill raises the total liability of political sub divisions from \$250K to \$1M per person and from \$1M to \$4M for any number of claims arising from any single occurrence regardless of the number of political subdivisions, or employees of such political subdivisions, which are involved in that occurrence.

SB 2044 was heard before the Senate Energy and Natural Resources Committee on Friday, January 18. This bill provides penalties for tampering with critical infrastructure and defines what a critical infrastructure facility is.

SB 2174 was heard before the Senate Energy and Natural Resources Committee on Friday, January 18. This bill requires elections for WRD board members and sets term limits.

HB 1086 was heard before the House Agriculture Committee on Friday, January 18. This bill excludes private and fossil byproduct water from eaters of the state and includes diffused surface waters and privately owned waters in non-contributing drainage areas.

HB 1243 was heard before the House Political Subdivisions Committee on Friday, January 18. This bill would require that all easements must be recorded within one hundred eighty days of creation of the easement to be valid. Easements are currently binding between the parties but not binding on parties who pay value for their interest and record that interest. Not recording easements in a certain timeframe should not determine

validity of the easement. NDCC § 47-19-41 already offers protection for a buyer if an easement is not recorded. The buyer is not bound to the easement if it is recorded without their consent.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a breakfast and a social for all North Dakota legislators **Tuesday, February 12** from **8:00 a.m. – 9:00 a.m.** in the **Brynhild Haugland room** at the capitol and **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

January 21	Deadline for senators to introduce bills
February 12	Rural Water/North Dakota Water Coalition Legislative Social
February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: January 21-24, 2019

Date	Bill Number	Subject	Committee	Location
01/21/2019 9:30 AM	<u>SB 2259</u>	Relating to the valuation of property for just compensation.	Senate Finance and Taxation	Lewis and Clark
01/21/2019 10:40 AM	<u>HB 1207</u>	Relating to reasonable costs awarded to a defendant.	House Judiciary	Prairie
01/21/2019 2:30 PM	<u>HB 1377</u>	Relating to state board of water well contractors and continuing education requirements for water well pump and pitless unit installers; and to declare an emergency.	House Industry, Business and labor	Peace Garden
01/22/2019 8:00 AM	<u>HB 1136</u>	Relating to bid requirements for public improvements.	House Industry, Business and Labor	Peace Garden
01/22/2019 8:30 AM	<u>HB 1184</u>	Relating to eliminating the ability of state and local government authorities from using quick take eminent domain; and to repeal sections 11-10-26 and 24-01-22.1 of the North Dakota Century Code,	House Judiciary	Prairie

		relating to appeals related to acquiring a right of way through the use of quick take eminent domain.		
01/22/2019 2:30 AM	<u>SB 2275</u>	Relating to the essential infrastructure revolving loan fund debt repayments; to amend and reenact section 6-09-49, subdivision c of subsection 5 of section 6-09.4-03, and sections 6-09.4-06 and 6-09.4-10 of the North Dakota Century Code, relating to the essential infrastructure revolving loan fund, public finance agency definitions, borrowing and lending authority, and reserve funds; to repeal section 61-02-78 of the North Dakota Century Code, relating to a revolving loan fund for water projects; to provide a transfer; to provide a continuing appropriation; to provide a bond issuance limitation; and to provide an effective date.	Senate Finance and Taxation	Lewis and Clark
01/22/2019 2:30 AM	<u>SB 2276</u>	Relating to the infrastructure revolving loan fund; and to provide a statement of legislative intent.	Senate Education	Sheyenne River
01/23/2019 8:30 AM	<u>HB 1014</u>	A BILL for an Act to provide for an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial commission; and to provide for a transfer.	House Appropriations – Government Operations Division	Medora
01/24/2019 8:30 AM	<u>SB 2020</u>	A BILL for an Act to provide an appropriation for defraying the expenses of the state water commission.	Senate Appropriations	Harvest
01/24/2019 9:00 AM	<u>HB 1192</u>	Relating to defining and delineating the ordinary high water mark of a navigable body of water; and to amend and reenact section 61-33-01 and subdivision e of subsection 3 of section 61-33.1-03 of the North Dakota Century Code, relating to the definition and determination of ordinary high water mark.	House Energy and Natural Resources	Coteau A
01/24/2019 9:00 AM	<u>HB 1428</u>	Relating to the Missouri River council; to provide for the acquisition and management of the shoreline of the Missouri River; and to provide for a report to the legislative management.	House Energy and Natural Resources	Coteau A
01/24/2019 9:30 AM	<u>SB 2220</u>	Relating to permitting of subsurface water management systems by water resource district boards.	Senate Agriculture	Roosevelt Park
01/24/2019 2:00 PM	<u>HB 1440</u>	Relating to the protection of groundwater and other responsibilities of a mineral developer.	House Energy and Natural Resources	Coteau A

01/24/2019 2:15 PM	<u>SB 2213</u>	Relating to district budget tax levies.	Senate Political Subdivisions	Red River
01/24/2019 2:30 PM	<u>HB 1314</u>	Relating to compensation and reimbursement of water resource district board members.	House Political Subdivisions	Prairie
01/24/2019 3:00 PM	<u>SB 2139</u>	Relating to cost-sharing and duties of the state water commission.	Senate Political Subdivisions	Red River
01/25/2019 8:30 AM	<u>SB 2055</u>	Relating to the establishment of the budget section; to amend and reenact sections 15-03-04, 15-10-12.1, 20.1-02-05.1, 20.1-02-16.1, 25-04-02.2, 37-17.1-27, 40-23-22.1, 47-30.1-24.1, 48-01.2-25, subsection 16 of section 50-06-05.1, subsection 18 of section 50-06-05.1, and sections 54-06-37, 54-27-22, 54-27-23, 54-44.1-13.1, 54-59-05, and 65-08.1-02 of the North Dakota Century Code, relating to agency requests for budget section approval; and to repeal section 1 of chapter 67 of the 2013 Session Laws and section 10 of chapter 19 of the 2017 Session Laws, relating to the authority of the state board of agricultural research and education to sell certain real property and the authority of the state water commission to provide payment for western area water supply loans.	Senate Appropriations	Harvest
01/25/2019 9:00 AM	<u>SB 2295</u>	Relating to limitations on the creation and jurisdiction of irrigation districts; and to amend and reenact sections 61-09-01 and 61-09-03 of the North Dakota Century Code, relating to permitting an irrigation district to assess lands requiring drainage as a result of irrigation works.	Senate Energy and Natural Resources	Fort Lincoln

V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1013</u>	Appropriation for Defraying Expenses of the Commissioner of School Lands		
<u>HB 1014</u>	Appropriation for Defraying the Expenses of the Industrial Commission		
<u>HB 1020</u>	Appropriation for NDSU		
<u>HB 1024</u>	Appropriation for Defraying Expenses of the Department of Environmental Quality		
<u>HB 1026</u>	Soil Conservation District Manager Training	PASSED	
<u>HB 1036</u>	Fiscal Impacts of Referred Measures		

<u>HB 1037</u>	Campaign Finance Disclosure Statements		
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1067</u>	Municipal Bid Requirements	PASSED	
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State		
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device		
<u>HB 1128</u>	PTSD Service Dog Training		
<u>HB 1136</u>	Bid Requirements for Public Improvements		
<u>HB 1173</u>	Cost for Appealing Local Government Decisions	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1186</u>	Oil and Gas Tax Revenue Hedging		
<u>HB 1192</u>	Ordinary High Water Marks		
<u>HB 1202</u>	Outdoor Heritage Advisory Board		
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements		
<u>HB 1299</u>	Duration of Pipeline Easements		
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain		
<u>HB 1307</u>	Special Assessments		
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members		
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline		
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater from Mineral Developers		
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		
<u>SB 2037</u>	Disposal and Transportation of High-Level Radioactive Waste		
<u>SB 2040</u>	Political Subdivision Property Exclusion from Protests Against Special Improvement Districts		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		
<u>SB 2054</u>	Outdoor Heritage Fund		
<u>SB 2055</u>	Budget Section		
<u>SB 2090</u>	Permits for the Appropriation of Water		

<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2095</u>	Expending Funds from the Disaster Relief Fund		
<u>SB 2109</u>	Duties and Responsibilities of the Department of Environmental Quality		
<u>SB 2139</u>	Snagging and Clearing		
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		
<u>SB 2220</u>	WRD Tile Permits		
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Creation of Irrigation Drainage Districts		
<u>HCR 3013</u>	Eminent Domain Over Mineral Rights		
<u>SCR 4001</u>	Process of Approving Constitutional Amendments		
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		

Witt, Lyndsay M.

From: Haugen, Shelley K.
Sent: Monday, January 14, 2019 8:47 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 4
Attachments: image003.emz

Shelley Haugen
Constituent Services

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From: staff <staff@ndwater.net>
Sent: Friday, January 11, 2019 4:16 PM
Subject: Legislative Report No. 4

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North Dakota Water Users *January 11, 2019 No.4*

Legislative Report

As of this morning, more than 600 bills and resolutions have been introduced. This coming Monday marks the final day for representatives to introduce bills, so it is anticipated a number of new bills will drop early next week. January 14 is also the day after which no more than three bills may be introduced by each senator. In addition, a Senate bill containing an appropriation clause may not be introduced after Monday.

Hearing Schedule (January 14 – January 18).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1013 was heard before the House Appropriations Government Operations Division Committee on Tuesday, January 8. This bill provides an appropriation for defraying the expenses of the commissioner of university and school lands; and to provide for distributions from permanent funds.

HB 1026 was heard before the House Agricultural Committee on Tuesday, January 8. This bill relates to mandatory training for soil conservation district supervisors.

SB 2040 was heard before the Senate Finance and taxation Committee on Wednesday, January 9. This bill excludes property owned by a political subdivision from consideration in protests against special improvement districts.

HB 1014 was heard before the House Appropriations Government Operations Division Committee on Thursday, January 10. This bill provides an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial commission; and to provide for a transfer.

SB 2020 was heard before the Senate Appropriations Committee on Thursday, January 10. This is the appropriations bill for the State Water Commission. Water project sponsors presented their recommendations during the hearing which included status of projects and funding needs for the upcoming biennium. State Engineer Garland Erbele and members of his staff gave an overview of water projects across the state on behalf of the State Water Commission. Members of the committee presented questions having to do with funding and carryover. Water project sponsors also presented their recommendations during the hearing which included status of projects and funding needs for the upcoming biennium. Governor Burgum testified on behalf of the F-M Area Diversion project.

HB 1087 was heard before the House Agricultural Committee on Thursday, January 10. This bill excludes agricultural dams two feet in height or less from requiring an application to be reviewed by the State Engineer.

SB 2095 was heard before the Senate Government and Veterans Affairs Committee on Thursday, January 10. This bill amends the process of expending funds from the disaster relief fund and requires quarterly reports detailing expenditures made from the appropriation.

SB 2109 was heard before the Senate Energy and Natural Resources Committee on Thursday, January 10. This bill creates and amends several sections in NDCC 23.1 regarding the duties and responsibilities of the department of environmental quality.

HB 1024 was heard before the House Appropriations Human Resources Division Committee on Thursday, January 10. This bill provides an appropriation for defraying the expenses of the department of environmental quality.

SB 2139 was heard before the Senate Political Subdivisions Committee on Thursday, January 10. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations.

HB 1020 was heard before the House Appropriations Education and Environment Division on Friday, January 11. This bill provides an appropriation for defraying the expenses of the North Dakota state university extension service, northern crops institute, upper great plains transportation institute, main research center, branch research centers, and agronomy seed farm.

SCR 4001 was heard before the House Appropriations Committee on Thursday, January 10. This bill amends the process for approving constitutional amendments.

SB 2091 was heard before the Senate Energy and Natural Resources Committee on Friday, January 11. This bill no longer allows permissible structures within a flood fringe to be constructed on fill.

SB 2090 was heard before the Senate Energy and Natural Resources Committee on Friday, January 11. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500, industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a social for all North Dakota legislators **Tuesday, February 12** from **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

Date	Topic
January 14	Deadline for representatives to introduce bills
January 21	Deadline for senators to introduce bills
February 12	Rural Water/North Dakota Water Coalition Legislative Social
February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: January 14-18 2019

Time	Bill Number	Short Title	Committee	Room
01/15/2019 8:30 AM	<u>HB 1013</u>	A BILL for an Act to provide an appropriation for defraying the expenses of the commissioner of university and school lands; and to provide for distributions from permanent funds.	House Appropriations – Government Operations Division	Medora
01/15/2019 09:00 AM	<u>SCR 4005</u>	Relating to use of the principal and earnings of the legacy fund to create the North Dakota first fund for the purpose of funding permanent infrastructure projects.	Senate Finance and Taxation	Lewis and Clark
01/15/2019 10:00 AM	<u>HB 1066</u>	Relating to infrastructure funds; to amend and reenact subsection 5 of section 57-51-01 and sections 57-51-15, 57-51.1-07.3, and 57-51.1-07.5 of the North Dakota Century Code, relating to oil and gas tax revenue allocations; to provide a continuing appropriation; to provide for a report; and to provide an effective date.	House Finance and Taxation	Fort Totten
01/16/2019 8:30 AM	<u>HB 1014</u>	A BILL for an Act to provide for an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial commission; and to provide for a transfer.	House Appropriations – Government Operations Division	Medora
01/16/2019 2:00 PM	<u>HB 1014</u>	A BILL for an Act to provide for an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial	House Appropriations – Government Operations Division	Medora

		commission; and to provide for a transfer.		
01/17/2019 9:00 AM	<u>HB 1356</u>	Relating to bids, plans, and specifications for public improvements and bond thresholds.	House Political Subdivisions	Prairie
01/17/2019 9:00 AM	<u>SB 2166</u>	Relating to increasing liability limits for political subdivisions.	Senate Political Subdivisions	Red River
01/18/2019 09:00 AM	<u>SB 2044</u>	Relating to tampering with or damaging a critical infrastructure facility or a public service; and to provide a penalty.	Senate Energy and Natural Resources	Fort Lincoln
01/18/2019 10:00 AM	<u>SB 2174</u>	Relating to the election, appointment, terms, and number of water resource board managers.	Senate Energy and Natural Resources	Fort Lincoln
01/18/2019 10:30 AM	<u>HB 1086</u>	Relating to waters of the state. This bill modernizes references to water of which the State Engineer has jurisdiction.	House Agriculture	Peace Garden

VII. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1013</u>	Appropriation for Defraying Expenses of the Commissioner of School Lands		
<u>HB 1014</u>	Appropriation for Defraying the Expenses of the Industrial Commission		
<u>HB 1020</u>	Appropriation for NDSU		
<u>HB 1024</u>	Appropriation for Defraying Expenses of the Department of Environmental Quality		
<u>HB 1026</u>	Soil Conservation District Manager Training	PASSED	
<u>HB 1067</u>	Municipal Bid Requirements	PASSED	
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State		
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device		
<u>HB 1356</u>			
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		

<u>SB 2040</u>	Political Subdivision Property Exclusion from Protests Against Special Improvement Districts		
<u>SB 2037</u>	Disposal and Transportation of High-Level Radioactive Waste		
<u>SB 2090</u>	Permits for the Appropriation of Water		
<u>SB 2091</u>	Floodplain Management Community Standards		
<u>SB 2095</u>	Expending Funds from the Disaster Relief Fund		
<u>SB 2109</u>	Duties and Responsibilities of the Department of Environmental Quality		
<u>SB 2139</u>	Snagging and Clearing		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		
<u>SCR 4001</u>	Process of Approving Constitutional Amendments		

VIII. Appropriations Committees Adopt Revenue Numbers

The Senate and House Appropriations Committees convened Monday morning in a joint meeting to hear the legislative revenue forecast for four major tax types (sales and use, motor vehicle excise, individual income, and corporate income) presented by IHS Market. The legislative forecast for the 2019-21 biennium was \$141 million lower than the executive forecast. This is the first session the legislature has hired its own firm to complete a revenue forecast, as this is also a responsibility of the executive branch.

On Wednesday, the Appropriations Committees adopted the revenue numbers they will be utilizing to pass appropriations bills and manage the budget in the coming weeks. Legislators adopted 2019-21 general fund revenues of \$4.17 billion, down slightly from the executive forecast of \$4.24 billion. Both the executive and legislative revenue forecasts will be updated in March.

Because the legislature is using a \$42.50 oil forecast, instead of the Governor's \$46.00 forecast, it has a marked effect on the Resources Trust Fund. The previous revenue projections for water funding totaled \$403M for the 2019-2021 biennium, the legislative revenue forecast will drop that by \$50M.

Budget information for the 2019-21 biennium is posted on the legislative website.

IX. SCR 4005

SCR 4005 is an important concept that could provide more funding to water projects throughout the state. This measure would create a North Dakota infrastructure fund to be known as the North Dakota first fund to be administered by the North Dakota infrastructure board. The fund would serve as a grant and low-interest revolving loan fund from the principal and earnings of the legacy fund and would provide a procedure for political subdivisions to access grants and low-interest loans for permanent infrastructure projects. It is incredibly important that the water community shows support for this resolution this session.

The full bill text can be found [here](#).

~~Mike Nowatzki~~ Mike Nowatzki

From: Greater North Dakota Chamber <ndchamber@ndchamber.com>
Sent: Wednesday, January 23, 2019 5:01 AM
To: Nowatzki, Mike
Subject: Greater North Dakota Chamber Dakota Digest

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Keeping North Dakota Open for Business : January 23, 2019

I What We're Doing For You at the North Dakota Legislature

N.D. House sees 546 bills submitted

*Update from Matt Gardner,
GNDC Government Affairs
Director*



The third week of the 2019 legislative session saw the close of the deadline for the House of Representatives to submit bills. Five hundred and forty-six (546) House bills and 22 House concurrent resolutions were submitted.

GNDC continues to read bills and weighs their impact on North Dakota's business climate and reviews them to see if they are in accordance with our policy agenda. You can see the bills we are tracking and review our policy agenda by clicking on the link below.

Here is an update on some of our priority bills from the past week...

HB 1066: Operation Prairie Dog

This bill has been affectionately known as 'Operation Prairie Dog,' which would provide infrastructure funding for non-oil producing counties, townships, and cities. There is currently in state statute a funding formula for oil producing areas in the state, this bill would help address the much needed infrastructure in the remaining areas of the state.

HB 1171: Scholarships for Technical and Certificate Programs

This bill would provide a scholarship for students who enroll in technical degrees and certificate programs. A provision in the bill would require participants to live

and work in the state after completion. This program would greatly help meet the workforce shortage in the state through recruiting and retaining North Dakotans and encouraging students to enter high demand career fields. GNDC strongly supports this bill and will continue to work toward its passage.

HB 1097: Blue Laws Repeal

The House of Representatives passed the repeal of our state's Blue Laws by a vote of 56 yeas and 35 nays. This bill will now move onto the Senate after crossover.

SB 2044: Critical Infrastructure Penalties

This bill would add increased penalties for individuals who damage critical infrastructure. Critical infrastructure is crucial for emergency services, business operations and general needs for our residents. GNDC believes it is important to protect our state's critical infrastructure.

**[Click here to follow GNDC's priority bills
and read our 2019 Legislative Agenda](#)**

Apply to join the GNDC Board of Directors

GNDC is now accepting applications to join our Board of Directors.

Applicants must submit their resume and address in a cover letter why they are interested in serving on the GNDC Board of Directors, their business and civic leadership experience and public policy experience. *Consideration will be given to geography, industry, and company size to ensure balanced representation and diversity on the board.*

Applications may be sent to GNDC President & CEO Arik Spencer at arik@ndchamber.com. All applications will be reviewed by the GNDC Governance Committee, which will recommend candidates to the full board for election.

The deadline to submit your application is February 19, 2019.

If you have any questions, please contact GNDC at (701) 222-0929.



I Small Business & Agriculture

Hundreds of homemade food businesses flourish under state food freedom laws

Wyoming, North Dakota, and Utah have created new opportunities for both aspiring entrepreneurs as well as existing farmers and ranchers

(Source: Forbes) -- Almost four years after the nation's



first "food freedom" law was enacted, hundreds of new local businesses have sprouted across three states, and without a single outbreak of a food-borne illness. Completely exempt from any licensing, permitting, or inspection requirements, residents operating under their state's food freedom act can create and sell almost any homemade dish imaginable, except those that contain meat.

Homemade food businesses are also free to sell at farmers' markets, roadside stands, and from farms, ranches, and homes, so long as they sell their goods directly to an "informed end consumer," i.e. someone who knows they're buying something not regulated by the government. Selling food freedom products across state lines or through grocery stores, restaurants, or wholesalers does remain verboten.

After years of legislative battling, the Wyoming Legislature—by an overwhelming majority—approved the Wyoming Food Freedom Act, which took effect in March 2015. This sweeping reform quickly became a hit.

Farmers, ranchers, bakers, and home cooks began hawking breads, cakes, cheeses, enchiladas, jams, jellies, kefir, kombucha, pastries, pies, pickles, salsa, sauerkraut, and tamales, to name just a few of the dizzyingly diverse dishes now on offer. Poultry farmers who raise no more than 1,000 birds a year can also sell their own chickens, turkeys, and any meals cooked with their birds. Wyoming's food freedom law even allows for the sale of raw milk, rabbit meat, and farm-raised fish that aren't catfish.

Upcoming GNDC Events at the State Capitol

Chamber Day at the Capitol - February 19

The Greater North Dakota Chamber is hosting Chamber Day at the Capitol on Tuesday, February 19 from 8:00 am to 1:30 pm. We have reserved Legislative Hall for local chambers of commerce to set up booths during the day.

Manufacturing Days - February 20 and 21

The Greater North Dakota Chamber is hosting Manufacturing Days at the Capitol Wednesday and Thursday, February 20 and 21 from 8:00 am to 1:30 pm. We have reserved Legislative Hall for those two days to highlight GNDC members who are manufacturers and what they do for North Dakota's economy.

Questions? Contact GNDC Membership Services Director Christopher Kalash at chris@ndchamber.com or 701-222-0929.

I Energy Markets

Oil drops nearly 3 percent on rising supplies, China slowdown

Oil prices fell 3 percent on Tuesday over concerns the

world's stumbling economy could pinch fuel demand as U.S. crude output climbs to new heights and cuts by Saudi Arabia and its allies are smaller than advertised.

Gloomy new global growth forecasts by the International Monetary Fund and signs of a spreading slowdown in China weighed on crude prices as traders worried about supplies rising in 2019 despite lower prices.

Data from Saudi Arabia on Monday showed its crude exports in November rose to 8.2 million barrels per day (bpd) from 7.7 million bpd in October, as production climbed to 11.1 million bpd.

U.S. government data last week showed the nation's crude production reached a record 11.9 million bpd.

"They weren't expecting that (nearly 12 million bpd production record) for a few months," said Tariq Zahir, managing member at Tyche Capital in New York. "We saw a very large drop in (U.S. oil drilling) rigs on Friday, but it comes down to whether Saudi Arabia is really going to do these cuts."

x

I By the Numbers

North Dakota is one of only seven states to tax manufacturing machinery

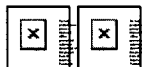
(Source: Tax Foundation) --



State sales tax bases have

two key areas in need of improvement: in some ways, they are too narrow, and in other ways, they are too broad. State sales tax bases have narrowed over time as new exemptions have been created, such as exemptions for groceries and prescription drugs. Another factor contributing to the shrinking of sales tax bases is that most states do not yet apply the sales tax to services, even as the U.S. economy is becoming increasingly service-oriented, with goods declining as a share of personal consumption.

At the same time, there are many instances in which states apply the sales tax too broadly, capturing business inputs that ought to be exempt. When businesses pay taxes on inputs, the costs of production rise, resulting in some combination of higher prices for consumers, less business expansion, and fewer job opportunities. This concept is known as “tax pyramiding,” whereby the sales tax is assessed multiple times throughout the production cycle. When a state’s sales tax is applied to too many business inputs, the sales tax starts to function as a gross receipts tax, arguably the most economically harmful of the major state-levied taxes.



Greater North Dakota Chamber | PO Box 2639, Bismarck, ND 58502-2639

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[Update Profile](#) | [About our service provider](#)

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iMessage
Thursday 9:56 PM

Hi Sen. Myrdal, this is Mike Nowatzki. Just wanted to be the first to let you know that Gov. Burgum has signed your industrial hemp bill, HB 1349. Congrats on a great bill! Let's get growing!

Awesome

Let me know about 2044 as I wld love s photo op on that. And big thank you for your whole office honoring Rosemarie today. Please tell the front desk staff

Will do!

Delivered



~~Haarsager, Katie A.~~ Mike Nowatzki

From: Haarsager, Katie A.
Sent: Tuesday, February 26, 2019 9:56 AM
To: Ziesch, Michael D.
Cc: Nowatzki, Mike
Subject: PIO Weekly Report
Attachments: PIO Weekly Report - 02.26.19.pdf

Weekly report for DMR PIO week of 2/25/19

Katie Haarsager
Public Information Officer

701.328.8036 (o) • kahaarsager@nd.gov • www.dmr.nd.gov

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701.328-8020 • oilandgasinfo@nd.gov • 600 E Boulevard Ave, Dept. 405 • Bismarck, ND 58505

Cabinet PIO Weekly Report

Name: Katie Haarsager

Agency: DMR

Week of: February 25, 2019

INQUIRIES: What media inquiries did you receive this week?

Outlet/Reporter	Nature of Inquiry	Response/Links
Renee Jean, Williston Herald	Incident report & correction.	Emailed and spoke with Renee on phone about correction to incident report indicating that 50 barrels isn't reportable. Waiting on correction both online and in paper.
Luke Johnson, Energy Intel	Incidents from prior week – were they caused by anything in particular to be all at the same time.	It appears those reported had extreme freezing temperatures as a theme however they will all still need to be reviewed for final causes.
Amy Dalrymple, Bismarck Tribune	List of companies that didn't meet gas capture goals for November	Sent across list provided by Caitlin.
Dustin Moore, Flag Family Media	Scheduling Lynn for Scott Hennen show.	Nothing confirmed – waiting on March 4 th as potential.

UPCOMING: Any key issue(s)/events for your agency now and in the near future?

Date	Issue/Event
THIS WEEK:	
February 25-26	Legislative Recess
February 27	Troy Coons/NWLA Meeting
March 1	66 th Assembly Weekly Meeting
COMING UP:	
March 4	Oasis/DMR Meeting
March 5	SMUG
March 5	Van Hook Gathering – Midstream Meeting
March 8	66 th Assembly Weekly Meeting

MISC DMR ITEMS:

- **Press Releases/Media Advisories Sent:**

Date	Type	Content
2/21/2019	Incident Report	Incident Reported in Williams County

IN THE NEWS: Notable articles from week of February 18th

Posted: Monday, February 18, 2019 – Williston Herald	<u>Spills reported in various North Dakota counties</u>
Posted: Tuesday, February 19, 2019 – John Hageman, Forum News Service	<u>North Dakota Senate approves ethics measure implementation bill</u>
Posted: Tuesday, February 19, 2019 – Bismarck Tribune staff	<u>Gasoline prices begin upward climb</u>
Posted: Wednesday, February 20, 2019 – John Hageman, Forum News Service	<u>North Dakota Legislature wraps work before mid-session break</u>
Posted: Wednesday, February 20, 2019 – Jack Dura, Bismarck Tribune	<u>'Operation Prairie Dog' sails through North Dakota House</u>
Posted: Thursday, February 21, 2019 – Carl Surran, Seeking Alpha	<u>Energy Transfer hikes Dakota Access pipeline capacity to 570k bbl/day</u>
Posted: Thursday, February 21, 2019 – Bismarck Tribune Staff	<u>Leak causes brine spill at Williams County well site</u>
Posted: Friday, February 22, 2019 – Renée Jean, Williston Herald	<u>iPIPE gaining out-of-state attention</u>
Posted: Saturday, February 23, 2019 – Renee Jean, Williston Herald	<u>Open valve resulted in leak from Equinor well</u>
Posted: Friday, February 22, 2019 – Don Morrison, Dakota Resource Council, Bismarck	<u>SB 2044 all about special treatment for energy</u>

Cleary, Sean D.

From: Oliver, Leslie B.
Sent: Monday, April 1, 2019 2:37 PM
To: -Grp-GO All Staff
Cc: Hauge, Stephanie A.
Subject: Open Records Request

All:

We received an open records request from Jamie Corey, a journalist working through Muckrock. He requests the following records:

"[A]ll records that pertain to Senate Bill 2044, which was introduced by Senators Myrdal, Unruh, Oehlke and Representatives Schmidt, Damschen."

Please search your emails and text messages for any record pertaining to SB 2044, from October 1, 2018 to the present. Once you've identified your responsive documents, save them to a .pdf and forward to Stephanie, OR, print hard copies and give them to Steph. If your search finds nothing responsive, please print and sign this email, with a notation that you found no records pertaining to SB 2044.

Thank you.

Leslie Bakken Oliver
General Counsel
Office of the Governor

Sean Cleary
for CG

Haugen, Shelley K.

From: Haugen, Shelley K.
Sent: Wednesday, March 27, 2019 12:00 PM
To: 'dorothy@rtc.coop'
Subject: RE: Contact Inquiry from the Governors Website

Ms. Reil-

Thank you for contacting the Office of Governor Burgum with your comments. We appreciate your input, and this has been shared with Governor Burgum and his staff.

Shelley Haugen
Constituent Services

701.328.2208 • skhaugen@nd.gov • www.governor.nd.gov



From: -Info-Governor's Office
Sent: Wednesday, March 27, 2019 8:04 AM
To: -Info-Governor's Office <governor@nd.gov>
Subject: Contact Inquiry from the Governors Website

Submitted on Wednesday, March 27, 2019 - 08:03

Submitted by anonymous user: 165.234.159.13

Submitted values are:

Name: Dorothy Reil

Subject: free speech

Email Address: dorothy@rtc.coop

Phone Number: 7018283157

Comments:

Please VETO Senate Bill 2044,

also know as the "Crimes Against Critical Infrastructure Bill". SB 2044 is legislation that will punish association, violate freedom of assembly and potentially stifle protected speech. This law is bad for North Dakota and bad for free speech.

Why do Harold Hamm and other oil magnets have all the rights in North Dakota, and apparently the people can just go to hell according to these legislators.

Haugen, Shelley K.

From: Haugen, Shelley K.
Sent: Wednesday, March 27, 2019 11:53 AM
To: 'tslynch27@hotmail.com'
Subject: RE: Contact Inquiry from the Governors Website

Mr. Lynch-

Thank you for contacting the Office of Governor Burgum with your comments. We appreciate your input, and this has been shared with Governor Burgum and his staff.

Shelley Haugen
Constituent Services

701.328.2208 • skhaugen@nd.gov • www.governor.nd.gov



From: -Info-Governor's Office
Sent: Wednesday, March 27, 2019 11:26 AM
To: -Info-Governor's Office <governor@nd.gov>
Subject: Contact Inquiry from the Governors Website

Submitted on Wednesday, March 27, 2019 - 11:25

Submitted by anonymous user: 165.234.159.14

Submitted values are:

Name: Tom Lynch

Subject: Veto SB 2044

Email Address: tslynch27@hotmail.com

Phone Number: 701-862-3238

Comments:

Dear Gov. Burgum,

My name is Tom Lynch

I am reaching out to you today to discuss Senate Bill 2044. This bill recently passed through both chambers and is on its way to your desk. I'm urging you to veto this bill. Existing law already prohibits trespassing and malicious destruction of property and conspiracies to commit the same.

Given that, this bill's focus on critical infrastructure facilities belies its neutral purpose - as do its excessive fines. Additionally, Senate Bill 2044 will punish organizations found to be a conspirator with those individuals found to be in violation of the new prohibitions. Making an organization criminally liable for all damage would impermissibly burden the rights of political association that are protected by the First Amendment - the literal embodiment of guilt by association.

Now is the time, Gov. Burgum. Please listen to your constituents you were elected to represent and veto this bill.

Sincerely,
Tom Lynch
Parshall, ND

The results of this submission may be viewed at:
<https://www.governor.nd.gov/node/67/submission/10164>

Haugen, Shelley K.

From: Haugen, Shelley K.
Sent: Thursday, March 28, 2019 9:41 AM
To: 'jon.j.lipp@gmail.com'
Subject: RE: Contact Inquiry from the Governors Website

Mr. Lipp-

Thank you for contacting the Office of Governor Burgum with your comments. We appreciate your input, and this has been shared with Governor Burgum and his staff.

Shelley Haugen
Constituent Services

701.328.2208 • skhaugen@nd.gov • www.governor.nd.gov



From: -Info-Governor's Office
Sent: Thursday, March 28, 2019 9:37 AM
To: -Info-Governor's Office <governor@nd.gov>
Subject: Contact Inquiry from the Governors Website

Submitted on Thursday, March 28, 2019 - 09:37
Submitted by anonymous user: 165.234.159.14
Submitted values are:

Name: Jon Lipp
Subject: Veto SB2044
Email Address: jon.j.lipp@gmail.com
Phone Number:

Comments:

Dear Gov. Burgum,

My name is Jon Lipp,

I am reaching out to you today to discuss Senate Bill 2044. This bill recently passed through both chambers and is on its way to your desk. I'm urging you to veto this bill. Existing law already prohibits trespassing and malicious destruction of property and conspiracies to commit the same.

Given that, this bill's focus on critical infrastructure facilities belies its neutral purpose - as do its excessive fines. Additionally, Senate Bill 2044 will punish organizations found to be a conspirator with those individuals found to be in violation of the new prohibitions. Making an organization criminally liable for all damage would impermissibly burden the rights of political association that are protected by the First Amendment - the literal embodiment of guilt by association.

Now is the time, Gov. Burgum. Please listen to your constituents you were elected to represent and veto this bill.

Sincerely,

Jon Lipp
719 3rd Ave N, Apt 1
Fargo, ND 58102

The results of this submission may be viewed at:
<https://www.governor.nd.gov/node/67/submission/10180>

Haugen, Shelley K.

From: -Info-Governor's Office
Sent: Thursday, March 28, 2019 9:37 AM
To: -Info-Governor's Office
Subject: Contact Inquiry from the Governors Website

Submitted on Thursday, March 28, 2019 - 09:37

Submitted by anonymous user: 165.234.159.14

Submitted values are:

Name: Jon Lipp

Subject: Veto SB2044

Email Address: jon.j.lipp@gmail.com

Phone Number:

Comments:

Dear Gov. Burgum,

My name is Jon Lipp,

I am reaching out to you today to discuss Senate Bill 2044. This bill recently passed through both chambers and is on its way to your desk. I'm urging you to veto this bill. Existing law already prohibits trespassing and malicious destruction of property and conspiracies to commit the same. Given that, this bill's focus on critical infrastructure facilities belies its neutral purpose - as do its excessive fines. Additionally, Senate Bill 2044 will punish organizations found to be a conspirator with those individuals found to be in violation of the new prohibitions. Making an organization criminally liable for all damage would impermissibly burden the rights of political association that are protected by the First Amendment - the literal embodiment of guilt by association.

Now is the time, Gov. Burgum. Please listen to your constituents you were elected to represent and veto this bill.

Sincerely,

Jon Lipp

719 3rd Ave N, Apt 1

Fargo, ND 58102

The results of this submission may be viewed at:

<https://www.governor.nd.gov/node/67/submission/10180>

Hauge, Stephanie A.

From: Oliver, Leslie B.
Sent: Monday, April 1, 2019 2:37 PM
To: -Grp-GO All Staff
Cc: Hauge, Stephanie A.
Subject: Open Records Request

All:

We received an open records request from Jamie Corey, a journalist working through Muckrock. He requests the following records:

"[A]ll records that pertain to Senate Bill 2044, which was introduced by Senators Myrdal, Unruh, Oehlke and Representatives Schmidt, Damschen."

Please search your emails and text messages for any record pertaining to SB 2044, from October 1, 2018 to the present. Once you've identified your responsive documents, save them to a .pdf and forward to Stephanie, OR, print hard copies and give them to Steph. If your search finds nothing responsive, please print and sign this email, with a notation that you found no records pertaining to SB 2044.

Thank you.

Leslie Bakken Oliver
General Counsel
Office of the Governor



4/1/19

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Monday, April 1, 2019 12:13 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 15

Shelley Haugen
Constituent Services

701.328.2208 • skhaugen@nd.gov • www.governor.nd.gov

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, March 29, 2019 3:57 PM
Subject: Legislative Report No. 15

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.

— North Dakota Water Users — March 29, 2019 No. 15

Legislative Report

Hearing Schedule (April 1 – April 5).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1207 Reasonable Costs Awarded to Eminent Domain Defendant
Extensively discussed in committee.

This bill awards attorney's fees to defendants that prevail in eminent domain cases if the award for compensation and damages is less than the written offer of settlement submitted by the condemning authority at least 60 days before trial or if the taking is deemed not for a public use or unlawful. This bill was given a 4-2 Do Not Pass recommendation from the committee but it will be discussed further to clarify the language and possibly reconsider the bill before it is sent to the Senate floor.

HB 1302 Sale of Property Acquired by Eminent Domain

Failed the Senate floor with a vote of 5-41 on Tuesday, March 26.

This bill would have allowed the person whose land was taken for eminent domain by the state or a political subdivision to have the opportunity to purchase the land back if it is no longer needed for the purpose it was obtained. This bill failed on the floor due to the many concerns with the language and unanimous opposition at the hearing.

HB 1356 Bids, Plans and Specifications for Public Improvements and Bond Thresholds

Passed the Senate floor with a vote of 39-6 on Monday, March 25.

This bill requires that the state and its political subdivisions may not engage in the construction of public works involving the practice of professional engineering when the contemplated expenditure for the project exceeds the sum of two hundred fifty thousand dollars, unless the engineering drawings and specifications and estimates have been prepared by, and the construction administration and construction observation services are executed under the supervision of, a registered professional engineer.

HB 1431 Removal of Mandan from SW Water Authority's Mill Levy

Failed the Senate floor with a vote of 47-0 on Wednesday, March 27.

This bill would have removed Mandan from SW Water Authority's mill levy. This bill failed because it was no longer necessary due to SB 2213 failing in the House (SB 2213 would have extended the SWWA one mill levy).

SB 2020 Appropriation for Defraying the Expenses of the State Water Commission

The House Appropriations Education and Environment Division continues to review the State Water Commission budget in SB 2020. It has discussed many possible changes to the version of Engrossed SB 2020 adopted by the Senate.

Based on the revised revenue forecast the subcommittee is anticipating the possibility of an additional \$83 million more funds than the \$350 million than the Senate appropriated for grants and capital projects. Potentially, there is an additional \$140 million more with the higher revenue forecast and if other pending legislation is adopted.

The committee is considering possible amendments including:

- Adding a 10th member (8th appointed) to the State Water Commission to represent watersheds in the Southwest
- Continuation of the previously adopted legislative intent of \$193 million for the interior-Minot portion of the Mouse River Flood control to support \$135.5 million over the next 3 biennia
- Changing the Tobacco Settlement payments to the Water Development Trust Fund of \$16 to \$18 million to fund Human Services instead of the WDTF

- Creation of a Missouri River advocacy council that would have been created in HB 1428, which the House previously defeated
- Certification requirement of minimal downstream impact from operation of the FM Diversion
- Provision that funds returned to SWC by projects due to cost-savings, are restored in the “bucket” from which the funds were derived
- Possible line item appropriations for each project
- Establish a “contingency” funding line for SWC flexibility and to address emergencies
- Increase commitment to NAWS

SB 2044 Damaging Critical Infrastructure Penalty

Passed the House with a vote of 76-14 on Monday, March 25.

This bill provides penalties for tampering with critical infrastructure and defines what a critical infrastructure facility is.

SB 2275 Essential Infrastructure Revolving Loan Fund

Failed the House with a vote of 34-55 on Monday, March 25.

This bill would have created a large scale low-interest, long-term revolving loan fund at the Bank of North Dakota with the lending terms supported with earnings from the Legacy Fund for water projects and other infrastructure investments. This bill failed due to the bonding repayment of \$55M+ per biennium obligation from the state for the next 15 biennia.

The Education and Environment Division of the House Appropriations Committee discussed expanding the existing revolving loan within Senate Bill 2020, the State Water Commission budget appropriations bill and it asked the Bank of North Dakota and Legislative Council to consider other funding sources.

SB 2358 Definition of a Watercourse

Passed the House with a vote of 89-2 on Thursday, March 28.

This bill would add a creek, river, or stream appearing in a USGI topographical map to the definition of a watercourse.

SB 2362 Oil and Gas Extraction Tax Revenues

Heard before the Senate Appropriations Committee on Friday, March 28.

This bill is a delayed bill that would address the interpretation issues of how oil and gas extraction tax revenues generated on the Fort Berthold Indian Reservation are deposited into the Resources Trust Fund, the Common Schools Trust Fund and the Foundation Aid Stabilization Fund. As introduced, the bill stipulates that 20% of all the extraction tax collected in the state would be transferred to the Resources Trust Fund. This could increase deposits to the RTF by \$45.4 million.

The Senate Finance and Tax Committee amended the bill to increase the allocation of the extraction tax revenues to the RTF by 0.5% until \$128,740,000 is transferred from the increased share. This represents an estimate of the total funds that were not deposited in the RTF under a different interpretation of distributions since 2009. Under current oil price and production forecasts, an additional \$11 million could be transferred with the increased share. The ND Water Coalition provided testimony in support of the bill at the hearing.

II. 2019 Legislative Deadlines and Dates

May 2 Session is limited to 80 legislative days

III. HEARING SCHEDULE: April 1 - April 5, 2019

Date and Time	Bill Number	Short Title	Committee	Room
04/02/2019 10:00 AM	<u>SB 2362</u>	Relating to the allocation of oil extraction tax; to provide a contingent appropriation; to provide for a transfer; to provide an effective date; to and to declare an emergency.	House Finance and Taxation	Fort Totten

IV. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Project Prairie Dog"	PASSED	PASSED
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	PASSED
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	PASSED
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	PASSED
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	PASSED
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	FAILED
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	PASSED
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	PASSED
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	FAILED
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty	PASSED	PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water	PASSED	PASSED
<u>SB 2091</u>	Floodplain Management Community Standards	PASSED	PASSED

<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy	FAILED	PASSED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund	FAILED	PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts	PASSED	PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft	PASSED	PASSED
<u>SB 2358</u>	Definition of a Watercourse	PASSED	PASSED
<u>SB 2362</u>	Oil and Gas Extraction Tax Revenues		
<u>SCR 4009</u>	Joint Water Resource Board Study	PASSED	PASSED

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Monday, March 25, 2019 9:26 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 14

Shelley Haugen
Constituent Services

701.328.2208 • skhaugen@nd.gov • www.governor.nd.gov

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, March 22, 2019 4:44 PM
Subject: Legislative Report No. 14

CAUTION: This email originated from an outside source. Do not click links or open attachments unless you know they are safe.

— North Dakota Water Users — March 22, 2019 No. 14

Legislative Report

The deadline for rereferral of policy bills with fiscal impact to Appropriations Committees is Tuesday, March 26. Most policy committees have finished hearing assigned bills and will spend most of next week in committee work.

Conference committees to reconcile differences between bills that have passed both chambers are beginning. Conference committees will be meeting through the remainder of the session to coordinate bill language so both the House and Senate can adopt identical language. The conference committees are generally made up of three members of each committee that heard the bill and can be arranged with as little as 15 minutes notice. These committee meetings can sometimes be another chance to influence policy outcomes.

Contact Legislators!

The Water Users Association has initiated an **Action Alert** to support SB 2275. This bill will create a low-interest, long-term revolving loan fund for Water infrastructure investments. The bill has already passed the Senate. In order for this important bill to pass the House, you should contact Representatives to urge support for the measure which would create a \$450 million loan program to support critical infrastructure, major flood control and regional water supply with loans at 2% interest for up to forty years.

Please call or write you legislators requesting support for this bill!

Hearing Schedule (March 25 – March 29).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1362 passed the Senate floor with a vote of 46-0 on Thursday, March 21. This bill allows a utility to cross over or under the railroad right of way for the placement of facilities.

HB 1431 was heard before the Senate Political Subdivisions Committee on Thursday, March 21. This bill removes Mandan from SW Water Authority's mill levy.

SB 2213 failed the House with a vote of 27-65 on Tuesday, March 19. This bill would have extended the SWWA one mill levy until 2030.

HB 1192 passed the Senate floor with a vote of 39-6 on Wednesday, March 20. This bill defines adds a definition of ordinary high-water mark to N.D.C.C. ch. 61-33.1 and adds a section requiring the State Engineer maintain ordinary high-water mark delineation guidelines as provided.

SB 2020 is the budget appropriation for the State Water Commission. The Education and Environment Division of the House Appropriations Committee spent much of its committee time on Thursday and Friday reviewing the provisions of the bill as adopted by the Senate. The subcommittee reviewed projects, programs and capital assets. Clarification on water projects was gained from the SWC staff, and representatives of the Fargo Moorhead Diversion, Mouse River Flood Protection Plan, Red River Water Supply Project, League of Cities and Rural Water. The committee is gathering information and no action was taken.

SB 2090 passed the House with a vote of 78-7 on Friday, March 22. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500,

industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

SB 2275 received a 15-3 Do Not Pass recommendation from the House Appropriations Committee, however water leaders are hoping to convince the full House of Representatives to adopt the bill. This bill will create a low-interest, long-term revolving loan fund for water infrastructure investments. We are encouraged that cities, counties, general contractors, and transportation advocates support the Infrastructure Revolving Loan Fund and will work together to secure passage of SB 2275 or if unsuccessful to jointly look for options to create an Infrastructure Revolving Loan Fund in another bill.

SB 2293 received a 14-0 Do Pass recommendation from the House Energy and Natural Resources Committee and referred the bill to the Appropriations Committee. The bill creates a \$3 surcharge on fishing licenses and a \$15 per boat “sticker” to finance an Aquatic Nuisance Species fund for programming, facilities and two Game and Fish Department staff for ANS inspection, monitoring, and education.

SB 2342 passed the House with a vote of 60-25 on Friday, March 22. This bill sets noise restrictions of 88 decibels for no more than 10 minutes on the operation of watercraft during the hours of 12am-5am.

II. Bills Affecting Landowners

SB 2360 passed the House with a vote of 74-18 on Monday, March 18. This bill changes the definition of farm income from net to gross income for purposes of qualification for the farm home property tax exemption. The bill adopts the IRS definition of a farmer, which is two-thirds or more of annual gross income from farming activities during any of the two preceding calendar years. The bill also removes the present \$40,000 cap for allowable off-farm income.

HB 1020 was heard before the Senate Appropriations Committee on Wednesday, March 20. This bill is the budget for the NDSU Research and Extension. House action resulted in a 6% decrease from the 2017-19 base level funding for the main station. This is following a 13% cut in 2017-19 biennium. Extension held even with the 2017-19 funding level. Funding for SBARE priorities include one-time funding of \$1.4 million from the strategic investment and improvements fund for extraordinary repairs and \$750,000 for the Williston seed cleaning plant, including \$250,000 from the general fund and \$500,000 from other funds.

SB 2315 was heard before the House Agriculture Committee on Thursday, March 21. This bill reverses the presumption that all land is considered open to trespass and requires people to seek permission to access private property, except for hunting, where designations of open or closed will be indicated on an electric database. This bill also allows traditional signs to be used if landowners prefer them. The bill establishes an advisory group of landowners and sportsmen to manage the development of the land database.

SB 2344 was heard before the House Energy and Natural Resources Committee on Thursday, March 21. This bill is intended to clarify that underground injection for CO2 or natural gas

storage, enhanced oil recovery, and saltwater disposal do not constitute a “damage” to pore space. The bill is considered by many landowners to be a “taking” of landowners property. The House Energy and Natural Resources Committee gave it a 10-2 do pass recommendation on March 21.

III. 2019 Legislative Deadlines and Dates

May 2 Session is limited to 80 legislative days

IV. HEARING SCHEDULE: March 25 - March 29, 2019

DATE/TIME	BILL NUMBER	STANDING COMMITTEE	COMMITTEE	REPORTER
03/26/2019 9:00 AM	<u>SB 2020</u>	Committee Work – State Water Commission Relating to the authorization of a Bank of North Dakota line of credit; to provide for Red River valley water supply requirements; to provide an exemption; to provide for a report to the legislative management; and to provide a statement of legislative intent.	House Appropriations – Education and Environment Division	Roughrider
03/26/2019 9:00 AM	<u>HB 1290</u>	Relating to prohibiting entry onto private land without permission.	Senate Judiciary	Pioneer
03/28/2019 3:45 PM	<u>HB 1521</u>	Relating to reporting campaign contributions and expenditures, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact section 16.1-08.1-01, subsection 4 of section 16.1-08.1-02.1, sections 16.1-08.1-02.3, 16.1-08.1-02.4, 16.1-08.1-03.1, 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, 28-32-08, 28-32-08.1, 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, subsections 2 and 4 of section 28-32-19, and sections 28-	Ethics	Pioneer

	32-27, 28-32-47, 28-32-48, and 28-32-49 of the North Dakota Century Code, relating to rulemaking procedures, disqualification of agency heads in quasi-judicial proceedings, implementing article XIV of the Constitution of North Dakota, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.		
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V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Project Prairie Dog"	PASSED	PASSED
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	PASSED
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	PASSED
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	PASSED
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	PASSED
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	PASSED
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water	PASSED	PASSED
<u>SB 2091</u>	Floodplain Management Community Standards	PASSED	PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED

<u>SB 2213</u>	SW Water Authority Permanent Mill Levy	FAILED	PASSED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts	PASSED	PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft	PASSED	PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4009</u>	Joint Water Resource Board Study	PASSED	PASSED

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Monday, March 11, 2019 8:36 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 12

Shelley Haugen
Constituent Services

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, March 08, 2019 5:15 PM
Subject: Legislative Report No. 12

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— *North Dakota Water Users* — *March 8, 2019 No. 12*

Legislative Report

Hearing Schedule (March 11 – March 15).

There are not hearings of bills scheduled for bill being tracked by the North Dakota Water Users Association.

I. This Week at the Legislature

SB 2362 was introduced as a delayed bill yesterday, March 7. The bill would address the interpretation issues of how oil and gas extraction tax revenues generated on the Fort Berthold Indian Reservation are deposited into the Resources Trust Fund, the Common Schools Trust Fund

and the Foundation Aid Stabilization Fund. The bill stipulates that 20% of all the extraction tax collected in the state would be transferred to the Resources Trust Fund upon passage of the bill, which has an emergency clause. The bill has no reference to restoring funds that may not have been deposited under a different interpretation over the past decade.

HB 1066 was heard before the Senate Finance and taxation committee on Tuesday, March 5- the Water Coalition support this bill, widely known as the “Project Prairie Dog” which revises the formula for the distribution of the gross production tax on oil and gas in a way that will fund Hub Cities and other oil-impacted communities in the 2019-2021 biennium at approximately the same rate as the current biennium. It would also establish “buckets” for non-oil producing cities, counties and townships to support infrastructure needs.

HB 1136 passed the Senate with a vote of 42-0 on Friday, March 8. It was heard before the Senate Industry, Business and Labor committee on Wednesday, March 6. This bill allows a governing body to award a contract for each portion of the public improvement project that received bids and readvise for bids on the portion of the project that did not receive bids if a bid for general, electrical, or mechanical portions of a public improvement project are not received.

HB 1192 was heard before the Senate Energy and Natural Resources committee on Thursday, March 7. This bill defines adds a definition of ordinary high water mark to N.D.C.C. ch. 61-33.1 and adds a section requiring the State Engineer maintain ordinary high water mark delineation guidelines as provided.

HB 1207 awards reasonable costs awarded to defendants that prevail in eminent domain cases. The bill was heard before the Senate Judiciary committee on Tuesday, March 5.

SB 2020 On March 7 and 8, the Education and Environment Division of the House Appropriations Committee - held nearly a day-and-a-half long hearing on Senate Bill 2020, the State Water Commission budget appropriation. Governor Burgum appeared and requested flexibility in the appropriation for water project funding when he introduced the SWC Budget.

On behalf of the Water Users Association and the Water Coalition, Alan Walter requested financial support for water projects across the State and requested that the Legislature:

- Fund State Water Commission administrative operations from the State General Fund
- Not reduce or divert the 20 percent of oil and gas extraction taxes from the Resources Trust Fund which supports water projects and infrastructure
- Consider credit options using Legacy Fund earnings to finance the completion of state water infrastructure

Throughout Thursday, the appropriators heard reports and requests for funding help with major flood control for Souris River Flood Protection, Lower Heart River Levy Recertification, Sheyenne River Flood Protection and it heard extended testimony in support and in opposition to the Fargo-Moorhead Area Diversion Project. The committee took testimony in support water supply grants with dedicated funding for rural water supply, and a continued commitment of funding for municipalities’ water infrastructure, Western Area Water Supply, and Red River Valley Water Supply. The City of Devils Lake asked for consideration of the Lake Agassiz Water Authority to route water supply pipelines to the Sheyenne River upstream of the city.

The committee members received updates from the Southwest Pipeline Project and the Northwest Area Water Supply State and a request to invest in these state-owned capital assets. Water Resource Districts and irrigation representatives made a case for the continuation of the dedicated General Water Management funding that the Senate had proposed. The legislators also heard from several supporters of cloud modification and the weather monitoring efforts of the atmospheric resource board.

Friday's continued hearing focused almost entirely on the Fargo Moorhead Diversion Project, with questions from the committee about federal and local funding, finance cost, the private partnership proposal and progress on the interior flood control. Committee work on the bill is expected to continue throughout March.

SB 2044 was heard before the House Energy and Natural Resources committee on Thursday, March 7. This bill provides penalties for tampering with critical infrastructure and defines critical infrastructure facility.

SB 2213 was heard before the House Political Subdivisions committee on Thursday, March 7. This bill extends the sunset clause for the SWWA mill levy until 2030. Alan Walter testified on behalf of the NDWUA.

SB 2293 was heard before the House Energy and Natural Resources committee on Friday, March 8. This bill creates funding mechanisms to support ANS programs through a \$3 surcharge on in state fishing licenses (excluding senior citizen and disabled licenses) and \$6 surcharge on out of state fishing waterfowl licenses. Mary Massad testified in support on behalf of the NDWUA.

SB 2295 was heard before the House Agriculture committee on Thursday, March 7. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

SB 2342 was heard before the House Energy and Natural Resources committee on Thursday, March 7. This bill sets noise restrictions on the operation of airboat watercraft.

SB 2358 was heard before the House Energy and Natural Resources committee on Thursday, March 7. This bill would study adding a creek, river, or stream appearing in a plat book to the definition of a watercourse.

SCR 4009 was heard before the House Agriculture committee on Thursday, March 7. This bill would direct Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basin-wide needs.

II. 2019 Legislative Deadlines and Dates

May 2 Session is limited to 80 legislative days

III. HEARING SCHEDULE: March 11 - March 15, 2019

Date and Time	Bill Number	Short Title	Committee	Author
03/11/2019 3:00 PM	<u>HB 1066</u>	Relating to infrastructure funds; to amend and reenact subsection 5 of section 57-51-01 and sections 57-51-15, 57-51.1-07.3, and 57-51.1-07.5 of the North Dakota Century Code, relating to oil and gas tax revenue allocations; to provide a continuing appropriation; to provide for a report; and to provide an effective date.	Senate Appropriations	Harvest
03/12/2019 8:15 AM	<u>SB 2275</u>	Relating to the infrastructure revolving loan fund debt repayments; to amend and reenact sections 6-09-49, 6-09.4-06, and 6-09.4-10, subsection 6 of section 21-03-07, and sections 21-03-19, 57-15-06.6, and 57-47-02 of the North Dakota Century Code, relating to the infrastructure revolving loan fund, borrowing and lending authority, reserve funds, and expanded bonding authority for counties; to repeal section 61-02-78 of the North Dakota Century Code, relating to a revolving loan fund for water projects; to provide a transfer; to provide a continuing appropriation; to provide a bond issuance limitation; and to provide an effective date.	House Appropriations	Roughrider
03/12/2019 2:15 PM	<u>SB 2148</u>	Relating to disclosures of expenditures, restrictions on public officials and lobbyists, investigations of ethics violations; and to the prohibition on personal use of campaign contributions and the rulemaking procedures and requirements for the ND ethics commission.	Ethics	Brynhild Haugland
03/12/2019 3:45 PM	<u>HB 1521</u>	Relating to reporting campaign contributions and expenditures, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the	Ethics	Brynhild Haugland

		Constitution of North Dakota; to amend and reenact section 16.1-08.1-01, subsection 4 of section 16.1-08.1-02.1, sections 16.1-08.1-02.3, 16.1-08.1-02.4, 16.1-08.1-03.1, 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, 28-32-08, 28-32-08.1, 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, subsections 2 and 4 of section 28-32-19, and sections 28-32-27, 28-32-47, 28-32-48, and 28-32-49 of the North Dakota Century Code, relating to rulemaking procedures, disqualification of agency heads in quasi-judicial proceedings, implementing article XIV of the Constitution of North Dakota, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.		
03/13/2019 9:00 AM	<u>SB 2362</u>	Relating to the allocation of oil extraction tax; to provide an effective date; and to declare an emergency.	Senate Finance and Taxation	Lewis and Clark
03/13/2019 2:30 PM	<u>HB 1362</u>	Relating to the right of utilities to cross over or under a railroad right of way; and to provide for application.	Senate Industry, Business and Labor	Roosevelt Park
03/14/2019 10:45 AM	<u>HB 1356</u>	Relating to bids, plans, and specifications for public improvements and bond thresholds.	Senate Political Subdivisions	Red River
03/15/2019 8:30 AM	<u>HB 1302</u>	Relating to the sale of property acquired by eminent domain or acquired when the property was eligible for taking by eminent domain, but no longer needed for a public purpose.	Senate Political Subdivisions	Red River

IV. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Project Prairie Dog"	PASSED	

<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	PASSED
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	PASSED
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	PASSED
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED
<u>SB 2091</u>	Floodplain Management Community Standards	PASSED	PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		PASSED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Friday, March 1, 2019 5:01 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 11

Shelley Haugen
Constituent Services

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— North Dakota Water Users — March 1, 2019 No. 11

Legislative Report

Hearing Schedule (March 4 – March 8).

There are not hearings of bills scheduled for bill being tracked by the North Dakota Water Users Association.

I. This Week at the Legislature

HB 1085 passed the Senate with a vote of 45-0 on Wednesday, February 27. This bill amends the drought disaster livestock water assistance program to remove the \$3,500 funding limit and raises the limit to \$4,500 to address increased costs.

HB 1087 passed the Senate with a vote of 44-1 on Wednesday, February 27. This bill excludes agricultural dikes two feet in height or less from requiring a PE to submit plans and specs be reviewed by the State Engineer.

HB 1173 was heard before the Senate Judiciary Committee on Wednesday, February 27. This bill reduces the cost of appeals to local government.

HB 1320 was heard before the Senate Energy and Natural Resources Committee on Friday, March 1. This bill removes voter approval requirements for some RRVWS projects and allows contract terms to exceed forty years.

SB 2090 was heard before the House Energy and Natural Resources Committee on Thursday, February 28. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500, industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

SB 2091 passed the House with a vote of 86-0 on Friday, March 1. This bill was heard before the House Energy and Natural Resources Committee on Thursday, February 28. This bill allows permissible structures within a flood fringe to be constructed on piers or columns, or other methods allowed by FEMA.

SB 2139 was heard before the House Energy and Natural Resources Committee on Friday, March 1. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations in natural waterways. Jack Dwyer, Gary Thompson and Dennis Reep testified in support of this bill on behalf of the NDWRDA. Other members of water resource districts and several other associations also testified in support of this bill.

II. 2019 Legislative Deadlines and Dates

March 8	Crossover for resolutions
May 2	Session is limited to 80 legislative days

III. HEARING SCHEDULE: March 4 - March 8, 2019

Date and Time	Bill Number	Short Title	Committee	Location
03/05/2019 9:00 AM	<u>HB 1066</u>	Relating to infrastructure funds, relating to oil and gas tax revenue allocations; to provide a continuing appropriation; to	Senate Finance and Taxation	Fort Lincoln

		provide for a report; and to provide an effective date.		
03/05/2019 10:30 AM	<u>HB 1207</u>	Relating to costs awarded to a defendant.	Senate Judiciary	Fort Lincoln
03/06/2019 9:30 AM	<u>HB 1136</u>	Relating to bid requirements for public improvements.	Senate Industry, Business, and Labor	Roosevelt Park
03/07/2019 8:30 AM	<u>SB 2020</u>	Relating to the authorization of a Bank of North Dakota line of credit; to provide for Red River valley water supply requirements; to provide an exemption; to provide for a report to the legislative management; and to provide a statement of legislative intent.	House Appropriations – Education and Environment Division	Roughrider
03/07/2019 9:00 AM	<u>SB 2213</u>	Relating to the southwest water authority and district budget tax levies.	House Political Subdivisions	Prairie
03/07/2019 9:00 AM	<u>SB 2342</u>	Relating to regulation of airboats to prevent excessive noise; and to provide a penalty.	House Energy and Natural Resources	Coteau A
03/07/2019 9:00 AM	<u>SCR 4009</u>	A resolution directing Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basinwide needs.	House Agriculture	Peace Garden
03/07/2019 9:00 AM	<u>HB 1192</u>	A bill relating to defining and delineating the ordinary high water mark of a navigable body of water; relating to the definition and determination of ordinary high water mark; and to provide for an application.	Senate Energy and Natural Resources	Fort Lincoln
03/07/2019 9:30 AM	<u>SB 2295</u>	Relating to permitting an irrigation district to assess lands requiring drainage as a result of irrigation works.	House Agriculture	Peace Garden

03/07/2019 10:30 AM	<u>SB 2044</u>	Relating to tampering with or damaging a critical infrastructure facility or a public service; and to provide a penalty.	House Energy and Natural Resources	Coteau A
03/07/2019 2:00 PM	<u>SB 2358</u>	Relating to the definition of a watercourse.	House Energy and Natural Resources	Coteau A
03/08/2019 2:00 PM	<u>SB 2293</u>	Relating to the creation of the aquatic nuisance species program fund and surcharges for fishing and waterfowl licenses; to amend and reenact section 20.1-02-16.1 of the North Dakota Century Code, relating to the investment of the state game and fish fund; and to provide a continuing appropriation.	House Energy and Natural Resources	Coteau A

IV. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"	PASSED	
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	PASSED
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	PASSED
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED

<u>SB 2091</u>	Floodplain Management Community Standards	PASSED	PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		PASSED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Thursday, February 21, 2019 1:56 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 10

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—North Dakota Water Users — February 21, 2019 No. 10

Legislative Report

Hearing Schedule (February 27 – March 1).

All of bills being tracked by the North Dakota Water Users Association are included in this report. These bills are tracked these because they have a direct or indirect impact on water management.

I. Legislative Crossover

Legislators finished the first half of the 2019 Legislative Session on Wednesday, two days before Friday's Crossover deadline. Crossover marks the point when each chamber must act on the bills that originated in their chamber. Legislators resume work Wednesday, February

27 after a short recess. Significant work will need to be done after Crossover to balance the budget. Much will depend on the final revenue forecast of the session expected next month.

II. Status Report

Funding:

SB 2020 Passed on the Senate floor with a vote of 44-1 on Friday, February 15. This is the appropriations bill for the State Water Commission. The Senate Appropriations Committee adopted amendments to authorize line-item funding in four “bucket” categories. The allocations of the \$350M of anticipated revenue for new grants were distributed as follows:

- Water Supply – grants \$115 million
- Rural Water – grants \$30 million
- Flood control – grants \$145 million
- General water management – grants \$35.255 million
- Increase to Capital Assets \$23.1 million

- Project Carryover \$33.5 million
- One-time line of credit funding \$75 million for capital projects

The bill reduces the SWC authorized FTEs by three net positions, from 93 to 90.

SB 2020 authorizes the appropriation of additional revenues above forecast in the Resources Trust Fund, the Water Development Trust Fund or federal funds, subject to Budget Section approval with the following conditions:

1. Approval of additional appropriation will not affect the 2021 Legislature’s ability to address water needs
2. Proposed use of additional income complies with legislative intent
3. The use of additional income will not result in future funding commitments

The bill includes a statement of legislative intent to extend the State commitment to the Fargo Flood Control Project:

- To continue to provide a portion of the non-federal project costs not to exceed \$703 million, which includes the \$120 million originally designated for Fargo interior flood control.
- Extend the biennial commitment of \$66.5 million two additional biennia to \$332.5 million over five biennia.

SB 2020 includes legislative intent that the SWC approve a grant of \$50 million for the RRV Water Supply Project from the Water Supply budget line-item; and after the 2019-21 biennium, the SWC provide grants to accomplish 80% state cost-share for the project.

- Lists requirements that the Garrison Diversion Conservancy District must certify compliance items with the SWC and the Budget Section in order to commence construction of the RRVWS Project

HB 1431 Passed on the House floor with a vote of 83-9 on Tuesday, February 19. This bill removes Mandan from SW Water Authority's mill levy.

SB 2213 Passed on the Senate floor with a vote of 40-6 on Monday, February 11. This bill extends the sunset clause for the SWWA mill levy until 2030.

SB 2293 Passed on the Senate floor with a vote of 45-2 on Monday, February 18. This bill creates funding to support aquatic nuisance species programs and enforcement. The bill establishes a \$3 surcharge on in-state fishing licenses (excluding senior citizen and disabled licenses) and \$6 surcharge on out-of-state fishing and waterfowl licenses.

Finance:

HB 1066 Passed the House with a vote of 80-12 on Wednesday, February 20. This bill is widely known as the "Prairie Dog Bill," revises the formula for the distribution of the gross production tax on oil and gas in a way that will fund Hub Cities and other oil-impacted communities in the 2019-2021 biennium at approximately the same rate as the current biennium. It would also establish "buckets" for non-oil producing cities, counties and townships to support infrastructure needs. The floor debate on this bill lasted for almost an hour and, while it was agreed by many that the bill was not perfect, passed because it was seen a good way to improve the state's aging infrastructure.

HB 1449 Failed on the House floor with a vote of 12-76 on Friday, February 8. This bill would have raised the oil extraction tax rate to 6.5%. Competition from other states with lower tax rates for oil extraction was the main concern.

SB 2275 Passed on the Senate floor with a vote of 45-0 on Friday, February 15. This bill creates an infrastructure revolving loan fund at the Bank of North Dakota with the lending terms supported with earnings from the Legacy Fund.

- SB 2275 proposes to allocate no more than \$55,000,000 of Legacy Fund earnings as a repayment source for appropriations bonds to provide funding for the Legislature's Infrastructure Revolving Loan Fund. The concept is to "disconnect" repayment of the bonds from use of the bond proceeds.
- The estimated bond proceeds to be used in the IRLF are approximately \$450,000,000.
- SB 2275 will enable loans for flood control, water supply and water management projects with a loan term up to 40-years, as opposed to 30-years for other projects. The committee agreed to the longer term because of the scale of water projects.
- SB 2275 consolidates the State Water Commission Revolving Loan Fund for water project loans into the IRLF. These loans are provided by the SWC in coordination with grants for projects approved by the SWC.

SCR 4005 Failed on the Senate floor with a vote of 11-34 on Thursday, January 31. This bill would have created a North Dakota infrastructure fund to be known as the North Dakota First fund to be administered by the North Dakota infrastructure board. The fund would have served as a grant and low-interest revolving loan fund from the principal and earnings of the legacy fund and would provide a procedure for political subdivisions to access grants and low-interest loans for permanent infrastructure projects. One of the main reasons the bill

failed was because it was a large fund and the type of fund it was and the way it was to be administered would put it at risk.

Property Use/Protections:

HB 1184 Failed on the House floor with a vote of 26-64 on Wednesday, February 20. The amended bill would have placed additional restrictions on the use of quick take by all political subdivisions, like what was imposed on water resource districts in 2017. The bill implemented treble damages and a possible two-year moratorium on quick-take authority if WRDs fail to comply with statutory time-lines.

HB 1207 Passed on the House floor with a vote of 80-13 on Tuesday, February 19. This bill awards reasonable costs awarded to defendants that prevail in eminent domain cases.

HB 1362 Passed on the House floor with a vote of 83-8 on Wednesday, February 20. This bill allows a utility to cross over or under the railroad right of way for the placement of facilities.

HB 1440 Failed on the House floor with a vote of 13-80 on Tuesday, January 29. This bill would have removed the water quality test requirement from protections for groundwater against mineral developers and required developers to collect soil samples and inventory water wells. The process was deemed duplicative and an unnecessary burden.

SB 2238 Failed on the Senate floor with a vote of 12-35 on Monday, February 18. This bill would have required county commissions to approve eminent domain proceedings over 320 acres. This bill was deemed to be an additional step in an already arduous process.

SB 2259 Failed on the Senate floor with a vote of 20-25 on Wednesday, January 30. This bill would have set out guidelines for evaluating property when being taken for eminent domain. This bill would have placed a burden political subdivisions and the NDDOT.

Water Resource Districts:

HB 1173 Passed on the House floor with a vote of 90-1 on Thursday, January 17. This bill reduces the cost of appeals to local government.

HB 1243 Failed on the House floor with a vote of 12-80 on Wednesday, January 30. This bill would have required all easements to be recorded. The timelines that would have been imposed and when exactly the easements are created were the main concerns with the bill.

HB 1299 Failed on the House floor with a vote of 18-75 on Tuesday, January 29. This bill would have made an easement, servitude, or nonappurtenant restriction obtained for the purpose of building a pipeline considered abandoned if the pipeline is not built within twenty years of the date the restriction was obtained. Restricting a landowners' right to negotiate a contract beyond a 20 year period for a pipeline easement was the main concern with this bill.

HB 1302 Passed on the House floor with a vote of 86-4 on Friday, February 15. This bill allows the person whose land was taken for eminent domain by the state or a political subdivision to have the opportunity to purchase the land back if it is no longer needed.

HB 1314 Failed on the House floor with a vote of 12-80 on Wednesday, January 30. This bill would have adjusted the compensation of WRD board members to be consistent with the state legislature and state officers. The main concern was tying a local governing body's pay to that of a legislator.

HB 1514 Failed on the House floor with a vote of 28-62 on Wednesday, February 20. This bill would have repealed section 61-32-03.1, which requires permits for subsurface water management systems. The primary reason this bill failed was because the legislators felt that the changes made in the 2017 session should remain and the ideas were good, but it was not the time for the legislation.

SB 2139 Passed on the Senate floor with a vote of 41-5 on Friday, February 1. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations in natural waterways. Representative Schmidt and Senator Schaible provided an amendment which requires all water boards to develop a plan for water conveyance projects with other water boards in a common basin. This amendment was not adopted, but may be studied under SCR 4009.

SB 2166 Failed on the Senate floor with a vote of 2-44 on Tuesday, February 5. This bill would have raised the total liability of political subdivisions from \$250K to \$1M per person and from \$1M to \$4M for any number of claims arising from any single occurrence regardless of the number of political subdivisions, or employees of such political subdivisions, which are involved in that occurrence. This would have doubled some current limits and current rates are evaluated regularly, which is a major reason why it did not pass.

SB 2174 Failed on the Senate floor with a vote of 4-40 on Monday, February 4. This bill would have required elections for WRD board members and set term limits. The bill was defeated because WRD boards are held accountable to County Commissions and the positions may be politicized.

SB 2220 Failed on the Senate floor with a vote of 14-32 on Thursday, February 7. This bill would have allowed WRD to charge actual costs associated with permits and allowed a WRD board to review completed applications up to 45 days after receipt. The primary reason this bill was defeated was because it was felt that the 2017 changes should remain as they are.

SCR 4009 Passed on the Senate floor on Friday, February 8. This bill would authorize a legislative interim study of the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basin-wide needs.

Agriculture/Irrigation:

HB 1020 Passed on the House floor with a vote of 79-14 on Wednesday, February 20. This bill provides funding for the 2019-2021 SBARE priorities. House action resulted in a 3% base level decrease from the 2017-19 biennium. Extension was increased by 4.6% of the 2017-19 funding level. The House included funding for salary increases (2% and 2%) and fully funded health insurance. Funding for SBARE priorities include one-time funding of \$1.4 million from the strategic investment and improvements fund for extraordinary repairs and \$750,000 for the Williston seed cleaning plant, including \$250,000 from the general fund and \$500,000 from other funds.

HB 1085 Passed on the House floor with a vote of 87-2 on Thursday, January 10. This bill would amend the drought disaster livestock water assistance program to remove the \$3,500 funding limit and raises the limit to \$4,500 to address increased costs.

HB 1087 Passed on the House floor with a vote of 87-3 on Tuesday, January 22. This bill excludes agricultural dikes two feet in height or less from requiring a PE to submit plans and specs be reviewed by the State Engineer.

SB 2090 Passed on the Senate floor with a vote of 42-2 on Monday, February 4. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500, industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

SB 2295 Passed on the Senate floor with a vote of 46-0 on Friday, February 8. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

SB 2315 Passed on the Senate floor with a vote of 28-18 on Wednesday, February 20. This bill reverses the presumption that all land is considered open and requires people to seek permission to access private property, except for hunting, where designations of open or closed will be indicated on an electric database. This bill also authorizes the development of a publicly available, electronic, hunter access database, wherein land will be designed as green (hunters welcome without asking); yellow (hunting may be allowed with permission); and red (no hunting available). Contact information will be provided for parcels indicated as yellow. If the landowner does not provide information for the database, the land will be designated as green. This bill also allows traditional signs to be used if landowners prefer them. Signs take precedence over the database. Lastly, this bill establishes an advisory group, including landowners and sportsmen, to oversee the development of the database so it meets stakeholder needs.

SB 2360 Passed on the Senate floor with a vote of 34-11 on Monday, February 18. This bill changes the definition of farm income from net to gross income for purposes of qualification for the farm home property tax exemption. The bill adopts the IRS definition of a farmer, which is two-thirds or more of annual gross income from farming activities during any of the

two preceding calendar years. It also removes the present \$40,000 cap for allowable off-farm income.

Ethics:

HB 1521 Passed on the House floor with a vote of 81-9 on Wednesday, February 20. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists.

SB 2148 Passed on the Senate floor with a vote of 46-0 on Tuesday, February 19. This bill establishes an ethics commission and outlines the complaint process for violations.

Watercourses:

HB 1086 Failed on the House floor with a vote of 0-91 on Thursday, January 31. This bill related to the waters of the state. WOTUS negatively impacted the bill and its intent was unclear, causing concern.

HB 1192 Passed on the House floor with a vote of 80-13 on Tuesday, February 19. This bill adds a definition of ordinary high water mark to N.D.C.C. ch. 61-33.1 and adds a section requiring the State Engineer to maintain ordinary high water mark delineation guidelines as provided.

HB 1428 Failed on the House floor with a vote of 38-54 on Wednesday, February 6. This bill would have formed a Missouri River council to conduct acquisitions and manage the Missouri River shoreline. The proposed council was too viewed as too similar to the already established Missouri River Advisory Council and was deemed duplicative and potentially confusing.

SB 2342 Passed on the Senate floor with a vote of 37-9 on Friday, February 8. This bill sets noise restrictions on the operation of airboat watercraft without mufflers.

SB 2358 Passed on the Senate floor with a vote of 44-1 on Friday, February 15. This bill would study adding a creek, river, or stream appearing in a plat book to the definition of a watercourse.

Infrastructure/Construction/Contracts:

HB 1136 Passed on the House floor with a vote of 91-0 on Friday, January 25. This bill allows a governing body to award a contract for each portion of the public improvement project that received bids and readvertise for bids on the portion of the project that did not receive bids if a bid for general, electrical, or mechanical portions of a public improvement project are not received.

HB 1356 Passed on the House floor with a vote of 54-37 on Wednesday, February 20. This bill requires that the state and its political subdivisions may not engage in the construction of public works involving the practice of professional engineering when the contemplated expenditure for the project exceeds the sum of two hundred fifty thousand dollars, unless the engineering drawings and specifications and estimates have been prepared by, and the construction administration and construction observation services are executed under the supervision of, a registered professional engineer.

SB 2044 Passed on the Senate floor with a vote of 42-3 on Friday, February 15. This bill provides penalties for tampering with critical infrastructure and defines a critical infrastructure facility.

SB 2091 Passed on the Senate floor with a vote of 46-1 on Monday, January 14. This bill allows permissible structures within a flood fringe to be constructed on piers or columns, or other methods allowed by FEMA.

HB 1320 Passed on the House floor with a vote of 73-19 on Wednesday, February 13. This bill removes voter approval requirements for some RRVWS projects and allows contract terms to exceed forty years.

III. 2019 Legislative Deadlines and Dates

February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: February 27 - March 1, 2019

Date and Time	Bill Number	Short Title	Committee	Room
02/27/2019 10:00 AM	<u>HB 1173</u>	Relating to costs of appeals of local government decisions.	Senate Judiciary	Fort Lincoln
02/28/2019 9:15 AM	<u>SB 2090</u>	Relating to permits for the appropriation of water, to appeals of permit application rejections, change in point of diversion or use, surplus water delivery, and a prescriptive water right.	House Energy and Natural Resources	Coteau A
02/28/2019 9:30 AM	<u>SB 2091</u>	Relating to floodplain management community standards for permissible uses within the flood fringe.	House Energy and Natural Resources	Coteau A

03/01/2019 9:30 AM	<u>SB 2139</u>	Relating to cost-sharing and duties of the state water commission.	House Energy and Natural Resources	Coteau A
03/01/2019 10:00 AM	<u>HB 1320</u>	A bill relating to Red River valley water supply project contract terms and elimination of voter approval requirements.	Senate Energy and Natural Resources	Fort Lincoln

V. Legislative Bills Tracked (To Date)

Note that all failed bills will be removed form the tracking list after this report.

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"	PASSED	
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State	FAILED	
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain	FAILED	
<u>HB 1192</u>	Ordinary High Water Marks	PASSED	
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant	PASSED	
<u>HB 1243</u>	Recording of Easements	FAILED	
<u>HB 1299</u>	Duration of Pipeline Easements	FAILED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members	FAILED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds	PASSED	
<u>HB 1362</u>	Railroad Right of Way Utility Applications	PASSED	
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline	FAILED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy	PASSED	
<u>HB 1440</u>	Protection of Groundwater	FAILED	
<u>HB 1449</u>	Oil Extraction Tax Rate	FAILED	
<u>HB 1514</u>	Eliminates Tile Permitting Process	FAILED	
<u>HB 1521</u>	Reporting Campaign Contributions	PASSED	

<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		PASSED
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		FAILED
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		FAILED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		PASSED
<u>SB 2220</u>	WRD Tile Permits		FAILED
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		FAILED
<u>SB 2259</u>	Valuation of Property		FAILED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		PASSED
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		FAILED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Monday, February 18, 2019 8:13 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 9

Shelley Haugen
Constituent Services

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, February 15, 2019 4:26 PM
Subject: Legislative Report No. 9

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— *North Dakota Water Users* — February 15, 2019 No. 9

Legislative Report

It is the homestretch of the legislative session's first half with next Friday, Feb. 22, the official Crossover date when bill action should be complete in its originating chamber. Legislators will take a two-day recess Feb. 25-26 and then return to work Feb. 27.

It is expected approved first-half appropriations for 2019-2021 will exceed the revenue forecast, which is typical each session. Significant work will need to be done after Crossover to balance the budget. Much will depend on the final revenue forecast of the session expected next month.

Hearing Schedule (February 18 – February 22).

There are not hearings of bills scheduled for bill being tracked by the North Dakota Water Users Association.

I. This Week at the Legislature

HB 1085 was heard before the Senate Agriculture Committee on Friday, February 15. This bill would amend the drought disaster livestock water assistance program to remove the \$3,500 funding limit and raises the limit to \$4,500 to address increased costs. This bill passed on the House floor with a vote of 87-2 on Thursday, January 10.

HB 1087 was heard before the Senate Agriculture Committee on Friday, February 15. This bill excludes agricultural dikes two feet in height or less from requiring a PE to submit plans and specs be reviewed by the State Engineer. This bill passed on the House floor with a vote of 87-3 on Tuesday, January 22.

HB 1207 was amended on Thursday, February 14 to allow the costs and attorney fees to be awarded to a defendant who prevails in an eminent domain case.

HB 1302 passed on the House floor on Friday, February 15 with an 86-4 vote. This bill allows the person whose land was taken for eminent domain by the state or a political subdivision to have the opportunity to purchase the land back if it is no longer needed.

HB 1320 passed on the House floor on Wednesday, February 13 with a 73-19 vote. This bill removes voter approval requirements for some RRVWS projects and allows contract terms to exceed forty years.

HB 1514 was amended on Friday, February 15 to require the installer of the tiling system to hold a \$500,000 bond and record the tile location with the county water board. It also received a 10-2 DO NOT PASS recommendation out of the committee. This bill repeals section 61-32-03.1, which requires permits for subsurface water management systems.

HB 1521 was heard before the Ethics Committee on Tuesday, February 12. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists.

SB 2020 passed on the Senate floor on Friday, February 15 with a 44-1 vote. SB 2020 includes a statement of legislative intent that the SWC approve a grant of \$50 million for the RRV Water Supply Project and after the 2019-21 biennium, the SWC provide grants to accomplish 80% state cost-share for the project. The bill also includes a section of legislative intent to extend the State commitment to the Fargo Flood Control Project, wherein the state will continue to provide a portion of the non-federal project costs not to exceed \$703 million, which includes the \$120 million originally designated for Fargo interior flood control. The intent of the legislature is the biennial commitment of \$66.5 million be extended two additional biennia to total an additional \$332.5 million over five biennia. During the floor session, Senator Luick proposed an amendment to remove Section 5 (the Fargo flood control project intent) from the bill, creating Division A, SB 2020 without Section 5, and Section B, Section 5 of SB 2020, to be voted on separately. Division A passed 45-0 and Division B passed 40-5.

SB 2044 passed on the Senate floor on Friday, February 15 with a 42-3 vote. This bill provides penalties for tampering with critical infrastructure and defines what a critical infrastructure facility is.

SB 2148 was heard before the Ethics Committee on Tuesday, February 12. This bill establishes and ethics commission and outlines the complaint process for violations.

SB 2213 passed on the Senate floor on Monday, February 11 with a 40-6 vote. This bill extends the sunset clause for the SWWA mill levy until 2030.

SB 2315 would have reversed the presumption that all land is considered open to hunting and required permission without having to post signs. The bill has been amended by the Ag Committee to maintain the presumption of open land unless it is physically posted with a sign or posted on the landowner database. A database and app will be created to provide a color-coded map to indicate land open to hunting, requires permission to hunt, or unavailable to hunters. The amendments will also establish an advisory committee that includes representation from the Department of Agriculture, Game and Fish Department, Information Technology Department, Association of Counties and Agriculture groups.

SB 2275 passed on the Senate floor on Friday, February 15 with a 45-0 vote. SB 2275 was heard before the Senate Appropriations Committee on Wednesday, February 13. This bill creates an infrastructure revolving loan fund at the Bank of North Dakota with the lending terms supported with earnings from the Legacy Fund. The following points relating to water projects were presented to the Committee:

- SB 2275 proposes to allocate no more than \$55,000,000 of Legacy Fund earnings as a repayment source for appropriations bonds to provide funding for the Legislature's Infrastructure Revolving Loan Fund. The concept is to "disconnect" repayment of the bonds from use of the bond proceeds.
- The estimated bond proceeds to be used in the IRLF are approximately \$450,000,000.
- SB 2275 will enable loans for flood control, water supply and water management projects with a loan term up to 40-years, as opposed to 30-years for other projects. The committee agreed to the longer term because of the scale of water projects.
- SB 2275 consolidates the State Water Commission Revolving Loan Fund for water project loans into the IRLF. These loans are provided by the SWC in coordination with grants for projects approved by the SWC.

SB 2358 passed on the Senate floor on Friday, February 15 with a 44-1 vote. This bill would study adding a creek, river, or stream appearing in a plat book to the definition of a watercourse.

II. 2019 Legislative Deadlines and Dates

February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

III. HEARING SCHEDULE: February 18 - February 22, 2019

Date and time	Bill Number	Short title	Committee	Room
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02/18/2019 9:00 AM	<u>SB 2148</u>	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.	Senate Appropriations	Harvest
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IV. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State	FAILED	
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1192</u>	Ordinary High Water Marks		
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements	FAILED	
<u>HB 1299</u>	Duration of Pipeline Easements	FAILED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain	PASSED	
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members	FAILED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements	PASSED	
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		

<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline	FAILED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater	FAILED	
<u>HB 1449</u>	Oil Extraction Tax Rate	FAILED	
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>HB 1521</u>	Reporting Campaign Contributions		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		PASSED
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		FAILED
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		FAILED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		PASSED
<u>SB 2220</u>	WRD Tile Permits		FAILED
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		
<u>SB 2259</u>	Valuation of Property		FAILED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		PASSED
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		PASSED
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		FAILED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Friday, February 8, 2019 3:28 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 8

Shelley Haugen
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From: ND Water Info <staff@ndwater.net>
Sent: Friday, February 08, 2019 3:20 PM
Subject: Legislative Report No. 8

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— North Dakota Water Users — February 8, 2019 No. 8

Legislative Report

Hearing Schedule (February 11 – February 15).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1428 failed on the House floor on Wednesday, February 6 with a 38-54 vote. This bill would have formed a Missouri River council to conduct acquisitions and manage the Missouri River shoreline.

HB 1431 was heard before the House Political Subdivisions Committee on Thursday, February 7. This bill removes Mandan from SW Water Authority's mill levy.

HB 1449 failed on the House floor on Friday, February 8 with a 12-76 vote. This bill would have raised the oil extraction tax rate to 6.5%.

HB 1521 was heard before the Ethics Committee on Thursday, February 7. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists.

SB 2020 was reviewed by the Senate Appropriations subcommittee on Tuesday, February 5. Regarding funding, the subcommittee agreed by consensus to continue the present biennium funding "buckets", though it seems the proposal for 2019-21 are for the apportionments to be budget bill line items rather than stated legislative intent. The allocations of the \$350M of anticipated revenue for new grants would be approximately similar percentages to the present distribution:

- Water Supply \$115 million
- Rural Water \$30 million
- Flood control \$145 million
- General water management (to include irrigation and Water Resource District projects) \$35.3 million
- \$75 million line of credit for capital projects

SB 2090 passed on the Senate floor on Monday, February 4 with a 42-2 vote. This bill exempts reuse of fossil byproduct water from requiring a water permit, clarifies that a legal interest in the point of diversion or place of use for irrigation water is required, and puts into statute the long-standing practice of having a 30-day comment period on water permit applications. It also increases the costs. All new water permit applications increased from \$200 to \$500, industrial permits are now \$1,000, and amendments are raised to \$100. The \$250 under 2,500 population break will also go away.

SB 2148 was heard before the Ethics Committee on Wednesday, February 6. This bill establishes an ethics commission and outlines the complaint process for violations.

SB 2166 failed on the Senate floor on Tuesday, February 5 with a 2-44 vote. This bill would have raised the total liability of political subdivisions from \$250K to \$1M per person and from \$1M to \$4M for any number of claims arising from any single occurrence regardless of the number of political subdivisions, or employees of such political subdivisions, which are involved in that occurrence.

SB 2174 failed on the Senate floor on Monday, February 4 with a 4-40 vote. This bill would have required elections for WRD board members and sets term limits.

SB 2220 failed on the Senate floor on Thursday, February 7 with a 14-32 vote. This bill would have allowed WRDs to charge actual costs associated with permits and allows a WRD board to review completed applications up to 45 days after receipt.

SB 2295 passed on the Senate floor on Friday, February 8 with a 46-0 vote. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

SB 2342 passed on the Senate floor on Friday, February 8 with a 37-9 vote. This bill sets noise restrictions on the operation of airboat watercraft at night.

SCR 4009 passed on the Senate floor on Friday, February 8. This bill would direct Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basinwide needs.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a breakfast and a social for all North Dakota legislators **Tuesday, February 12** from **8:00 a.m. – 9:00 a.m.** in the **Brynhild Haugland room** at the capitol and **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

February 12	Rural Water/North Dakota Water Coalition Legislative Social
February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: February 11 - February 15, 2019

Date and time	Bill Number	Short title	Committee	Room
02/12/2019 2:30 PM	<u>SB 2148</u>	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and	Ethics	Pioneer

		reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.		
02/12/2019 3:00 PM	<u>HB 1521</u>	Relating to reporting campaign contributions, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact section 16.1-08.1-01, subsection 4 of section 16.1-08.1-02.1, sections 16.1-08.1-02.3, 16.1-08.1-02.4, 16.1-08.1-03.1, 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, 28-32-08, 28-32-08.1, 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, subsections 2 and 4 of section 28-32-19, and section 28-32-27 of the North Dakota Century Code, relating to rulemaking procedures, disqualification of hearing officers, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.	Ethics	Pioneer

02/15/2019 9:00 AM	<u>HB 1085</u>	Relating to the drought disaster livestock water assistance program; and to declare an emergency.	Senate Agriculture	Roosevelt Park
02/15/2019 10:00 AM	<u>HB 1087</u>	Relating to a permit to construct or modify a dam, dike, or other device.	Senate Agriculture	Roosevelt Park

V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State	FAILED	
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1192</u>	Ordinary High Water Marks		
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements	FAILED	
<u>HB 1299</u>	Duration of Pipeline Easements	FAILED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain		
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members	FAILED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline	FAILED	
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater	FAILED	
<u>HB 1449</u>	Oil Extraction Tax Rate	FAILED	
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>HB 1521</u>	Reporting Campaign Contributions		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		

<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		
<u>SB 2090</u>	Permits for the Appropriation of Water		PASSED
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		FAILED
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		FAILED
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		
<u>SB 2220</u>	WRD Tile Permits		FAILED
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		
<u>SB 2259</u>	Valuation of Property		FAILED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		PASSED
<u>SB 2342</u>	Noise Restrictions on Watercraft		PASSED
<u>SB 2358</u>	Definition of a Watercourse		
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		FAILED
<u>SCR 4009</u>	Joint Water Resource Board Study		PASSED

VI. SB 2275

SB 2275 was amended this week. It is looking like the water project loan vehicle of choice. We are engaged on this bill and will report any updates. Below are some of the main points of the bill pertaining to water:

- SB2275 proposes to allocate no more than \$55,000,000 of Legacy Fund earnings as a repayment source for appropriations bonds to provide funding for the Legislature's Infrastructure Revolving Loan Fund. The concept is to "disconnect" repayment of the bonds from use of the bond proceeds.
- The estimated bond proceeds to be used in the IRLF are approximately \$450,000,000.
- SB2275 will enable loans for flood control, water supply and water management projects with a loan term up to 40-years, as opposed to 30-years for other projects. The committee agreed to the longer term because of the scale of water projects.
- SB2275 consolidates the State Water Commission Revolving Loan Fund for water project loans into the IRLF. These loans are provided by the SWC in coordination with grants for projects approved by the SWC.

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Friday, February 1, 2019 2:53 PM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 7

Shelley Haugen
Constituent Services

701.328.2208 • skhaugen@nd.gov • www.governor.nd.gov

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, February 01, 2019 2:40 PM
Subject: Legislative Report No. 7

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— North Dakota Water Users — February 1, 2019 No.7
Legislative Report

Hearing Schedule (February 4 – February 8).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1440 failed on the House floor on Tuesday, January 29 with a 13-80 vote. This bill would have removed the water quality test requirement from protections for groundwater against mineral developers and requires developers to collect soil samples and inventory water wells.

HB 1299 failed on the House floor on Tuesday, January 29 with a 18-75 vote. This bill would have made an easement, servitude, or nonappurtenant restriction obtained for the purpose of building a pipeline considered abandoned if the pipeline is not built within twenty years of the date on which the easement, servitude, or nonappurtenant restriction was obtained.

HB 1302 was heard before the House Judiciary Committee on Tuesday, January 29. This bill allows the person whose land was taken for eminent domain by the state or a political subdivision to have the opportunity to purchase the land back if it is no longer needed. Keely Torgerson attended and monitored the hearing.

SB 2020 was reviewed by the Senate Appropriations subcommittee on Tuesday, January 29. The meeting consisted of a review by Legislative Council and SWC staff of the status of the current budget and anticipated carryover; a description of the funding categories in the baseline budget (current biennium funding levels), a review of carryover funds and anticipated 2019-21 revenue for grants and capital projects. The legislature's revised January 2019 revenue forecast dropped the revenue estimate from \$403 million to \$350 million.

HB 1314 failed on the House floor on Wednesday, January 30 with a 12-80 vote. This bill would have adjusted the compensation of WRD board members to be consistent with the state legislature and state officers.

HB 1243 failed on the House floor on Wednesday, January 30 with a 12-80 vote. This bill would have required all easements to be recorded.

SB 2259 failed on the Senate floor on Wednesday, January 30 with a 20-25 vote. This bill would have set out guidelines for evaluating property when being taken for eminent domain.

SB 2148 was heard before the Ethics Committee on Wednesday, January 30. This bill establishes an ethics commission and outlines the complaint process for violations. Lance Gaebe attended and monitored the hearing.

HB 1521 was heard before the Ethics Committee on Wednesday, January 30. This bill lays out campaign contribution disclosure requirements and the complaint procedure for campaign contribution violations by lobbyists. Lance Gaebe attended and monitored the hearing.

HB 1086 failed on the House floor on Thursday, January 31 with a 0-91 vote. This bill related to the waters of the state.

SCR 4005 failed on the Senate floor on Thursday, January 31 with a 11-34 vote. This bill would have created a North Dakota infrastructure fund to be known as the North Dakota first fund to be administered by the North Dakota infrastructure board. The fund would have served as a grant and low-interest revolving loan fund from the principal and earnings of the legacy fund and would provide a procedure for political subdivisions to access grants and low-interest loans for permanent infrastructure projects.

HB 1362 was heard before the House Political Subdivisions Committee on Thursday, January 31. This bill allows a utility to cross over or under the railroad right of way for the placement of facilities.

SB 2358 was heard before the Senate Energy and Natural Resources Committee on Thursday, January 31. This bill adds a creek, river, or stream appearing in a plat book to the definition of a watercourse. Jack Dwyer and Keely Torgerson attended and monitored the hearing.

SB 2342 was heard before the Senate Energy and Natural Resources Committee on Thursday, January 31. This bill sets noise restrictions on the operation of watercraft at night. Keely Torgerson attended and monitored the hearing.

SB 2238 was heard before the Senate Agriculture Committee on Thursday, January 31. This bill requires county commissions to approve eminent domain proceedings. Jack Dwyer attended the hearing and provided testimony in opposition on behalf of ND Water Users.

SCR 4009 was heard before the Senate Energy and Natural Resources Committee on Thursday, January 31. This bill would direct Legislative Management to consider studying the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basinwide needs. Jack Dwyer attended and monitored the hearing.

SB 2139 passed on the Senate floor on Friday, February 1 with a 41-5 vote. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations.

HB 1514 was heard before House Agriculture Committee on Friday, February 1. This bill repeals section 61-32-03.1, which requires permits for subsurface water management systems. Chad Engles provided testimony in opposition the bill on behalf of the NDWRDA and a number of other members of the water community also provided testimony in opposition. Jack Dwyer and Keely Torgerson also attended and monitored the hearing.

HB 1320 was heard before the House Energy and Natural Resource Committee on Friday, February 1. This bill removes voter approval requirements for some RRVWS projects and allows contract terms to exceed forty years. Keely Torgerson attended and monitored the hearing.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a breakfast and a social for all North Dakota legislators **Tuesday, February 12** from **8:00 a.m. – 9:00 a.m.** in the **Brynhild Haugland room** at the capitol and **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

February 12	Rural Water/North Dakota Water Coalition Legislative Social
February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: February 4 - February 8, 2019

Date and Time	Bill Number	Short Title	Committee	Room
02/05/2019 2:31 PM	<u>SB 2020</u>	<i>Subcommittee Meeting - A BILL for an Act to provide an appropriation for defraying the expenses of the state water commission.</i>	Senate Appropriations	Senate Conference Room
02/06/2019 2:30 PM	<u>SB 2148</u>	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.	Ethics	Pioneer
02/07/2019 8:30 AM	<u>HB 1431</u>	Relating to the parts of the state included in the southwest water authority and the membership of the board of directors of the southwest water authority; and to provide an effective date.	House Political Subdivisions	Prairie

02/07/2019 3:00 PM	<u>HB 1521</u>	Relating to reporting campaign contributions, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact section 16.1-08.1-01, subsection 4 of section 16.1-08.1-02.1, sections 16.1-08.1-02.3, 16.1-08.1-02.4, 16.1-08.1-03.1, 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, 28-32-08, 28-32-08.1, 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, subsections 2 and 4 of section 28-32-19, and section 28-32-27 of the North Dakota Century Code, relating to rulemaking procedures, disqualification of hearing officers, and requirements for the North Dakota ethics commission; to provide for a penalty; to provide an appropriation; to provide an effective date; to provide an expiration date; and to declare an emergency.	Ethics	Pioneer
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V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State	FAILED	
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements	PASSED	
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1192</u>	Ordinary High Water Marks		

<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements	FAILED	
<u>HB 1299</u>	Duration of Pipeline Easements	FAILED	
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain		
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members	FAILED	
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline		
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater	FAILED	
<u>HB 1449</u>	Oil Extraction Tax Rate		
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>HB 1521</u>	Reporting Campaign Contributions		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		
<u>SB 2090</u>	Permits for the Appropriation of Water		
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		PASSED
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		
<u>SB 2220</u>	WRD Tile Permits		
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		
<u>SB 2259</u>	Valuation of Property		FAILED
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		
<u>SB 2342</u>	Noise Restrictions on Watercraft		
<u>SB 2358</u>	Definition of a Watercourse		
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		FAILED
<u>SCR 4009</u>	Joint Water Resource Board Study		

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Monday, January 28, 2019 9:11 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 6
Attachments: image001.emz

Shelley Haugen
Constituent Services

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, January 25, 2019 4:35 PM
Subject: Legislative Report No. 6

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— *North Dakota Water Users* — *January 25, 2019 No.6*

Legislative Report

It's Day 15, and bill introductions are complete, except for amendments to the constitution and study resolutions. Committees are busy with hearings and committee work to pass out nearly a thousand bills and resolutions, a 10-year high number of bills by the Crossover deadline.

Measure 1

Both the Senate and the House appointed special committees to consider implementing legislation for Measure 1/Ethics Commission as follows:

- House Ethics Committee: Rep. Kasper, Rep. Louser, Rep. D. Anderson, Rep. Headland, Rep. Heinert, Rep. K. Koppelman, Rep. Lefor, Rep. Rohr, Rep. D. Ruby, Rep. Steiner, Rep. Boschee, Rep. Mitskog, Rep. Mock
- Senate Special Committee on Ethics: Sen. Hogue, Sen. Unruh, Sen. Anderson, Sen. Dever, Sen. Poolman, Sen. Oban, Sen. Mathern

Two bills have been introduced to date: HB 1521 and SB 2148.

Hearing Schedule (January 28 – February 1).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1207 was heard before the House Judiciary Committee on Monday, January 21. This bill awards reasonable costs awarded to defendants in eminent domain cases. Jack Dwyer provided testimony in support of this measure.

HB 1136 was heard before the House Industry, Business and Labor Committee on Tuesday, January 22. This bill allows a governing body to award a contract for each portion of the project the received bids and readvise for bids on the portion of the project that did not receive bids if a bid for general, electrical, or mechanical portions of a project are not received.

HB 1184 was heard before the House Judiciary Committee on Tuesday, January 22. This bill eliminates the ability of state and local government authorities to from using quick take eminent domain or acquiring an easement for a right of way through the use of quick take eminent domain. Jack Dwyer provided testimony in opposition to this measure.

HB 2275 was heard before the Senate Finance and Taxation Committee on Tuesday, January 22. This bill would create an infrastructure revolving loan fund at the Bank of North Dakota with the moneys in the legacy fund. Lance Gaebe provided testimony in support of this measure.

HB 1449 was heard before the House Finance and Taxation Committee on Wednesday, January 23. This bill raises the oil extraction tax rate to 6.5%.

SB 2020 was heard before the Senate Appropriations Committee on Thursday, January 24. This is the appropriations bill for the State Water Commission. This hearing was focused on the F-M Diversion and its funding request.

HB 1192 was heard before the House Energy and Natural Resources Committee on Thursday, January 24. This bill defines adds a definition of ordinary high water mark to N.D.C.C. ch. 61-33.1 and adds a section requiring the State Engineer maintain ordinary high water mark delineation guidelines as provided.

HB 1428 was heard before the House Energy and Natural Resources Committee on Thursday, January 24. This bill forms a Missouri River council to conduct acquisitions and manage the Missouri River shoreline.

SB 2220 was heard before the Senate Agriculture Committee on Thursday, January 24. This bill allows WRD to charge actual costs associated with permits and allows a WRD board to review completed applications up to 45 after receipt. Jack Dwyer provided testimony in support of this measure.

HB 1440 was heard before the House Energy and Natural Resources Committee on Thursday, January 24. This bill removes the water quality test requirement from protections for groundwater against mineral developers and requires developers to collect soil samples and inventory water wells.

SB 2213 was heard before the Senate Political Subdivisions Committee on Thursday, January 24. This bill removes the sunset clause for the Southwest Water Authority mill levy. Jack Dwyer provided testimony in support of this measure.

HB 1314 was heard before the House Political Subdivisions Committee on Thursday, January 24. This bill adjusts the compensation of WRD board members to be consistent with the state legislature and state officers.

SB 2139 was heard before the Senate Political Subdivisions Committee on Thursday, January 24. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations. Jack Dwyer provided testimony in support of this measure.

SB 2293 was heard before the Senate Energy and Natural Resources Committee on Friday, January 25. This bill creates funding mechanisms to support ANS programs. Lance Gaebe coordinated testimony and Mary Massad spoke in support of this measure on behalf of Water Users.

SB 2295 was heard before the Senate Energy and Natural Resources Committee on Friday, January 25. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

II. 2019 Water Day

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III. 2019 Legislative Deadlines and Dates

February 12	Rural Water/North Dakota Water Coalition Legislative Social
February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: January 28 - February 1, 2019

Date and Time	Bill Number	Short Title	Committee	Location
01/29/2019 3:30 PM	<u>HB 1302</u>	Relating to the sale of property acquired by eminent domain or acquired when the property was eligible for taking by eminent domain, but no longer needed for a public purpose; and to amend and reenact section 24-01-28 of the North Dakota Century Code, relating to vacating property acquired through eminent domain for highways.	House Judiciary	Prairie
01/30/2019 2:00 PM	<u>SB 2148</u>	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.	Ethics	Pioneer

01/31/2019 8:30 AM	<u>HB 1362</u>	Relating to the right of utilities to cross over or under a railroad right of way; and to provide for application.	House Political Subdivisions	Prairie
01/31/2019 10:00 AM	<u>SB 2238</u>	Relating to powers of the board of county commissioners; and to amend and reenact section 32-15-01 of the North Dakota Century Code, relating to limitations on eminent domain authority.	Senate Agriculture	Roosevelt Park
02/01/2019 9:00 AM	<u>HB 1320</u>	Relating to Red River valley water supply project contract terms and elimination of voter approval requirements.	House Energy and Natural Resources	Coteau A
02/01/2019 9:00 AM	<u>HB 1514</u>	Relating to an exemption from permitting requirements for subsurface water management systems; and to repeal section 61-32-03.1 of the North Dakota Century Code, relating to permitting subsurface water management systems.	House Agriculture	Peace Garden

V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State		
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements		
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1192</u>	Ordinary High Water Marks		
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements		
<u>HB 1299</u>	Duration of Pipeline Easements		
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain		
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members		

<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline		
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater		
<u>HB 1449</u>	Oil Extraction Tax Rate		
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		
<u>SB 2090</u>	Permits for the Appropriation of Water		
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		
<u>SB 2220</u>	WRD Tile Permits		
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		
<u>SB 2259</u>	Valuation of Property		
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Monday, January 28, 2019 9:11 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 6
Attachments: image001.emz

Shelley Haugen
Constituent Services

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, January 25, 2019 4:35 PM
Subject: Legislative Report No. 6

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— *North Dakota Water Users January 25, 2019 No.6*

Legislative Report

It's Day 15, and bill introductions are complete, except for amendments to the constitution and study resolutions. Committees are busy with hearings and committee work to pass out nearly a thousand bills and resolutions, a 10-year high number of bills by the Crossover deadline.

Measure 1

Both the Senate and the House appointed special committees to consider implementing legislation for Measure 1/Ethics Commission as follows:

- House Ethics Committee: Rep. Kasper, Rep. Louser, Rep. D. Anderson, Rep. Headland, Rep. Heinert, Rep. K. Koppelman, Rep. Lefor, Rep. Rohr, Rep. D. Ruby, Rep. Steiner, Rep. Boschee, Rep. Mitskog, Rep. Mock
- Senate Special Committee on Ethics: Sen. Hogue, Sen. Unruh, Sen. Anderson, Sen. Dever, Sen. Poolman, Sen. Oban, Sen. Mathern

Two bills have been introduced to date: HB 1521 and SB 2148.

Hearing Schedule (January 28 – February 1).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1207 was heard before the House Judiciary Committee on Monday, January 21. This bill awards reasonable costs awarded to defendants in eminent domain cases. Jack Dwyer provided testimony in support of this measure.

HB 1136 was heard before the House Industry, Business and Labor Committee on Tuesday, January 22. This bill allows a governing body to award a contract for each portion of the project the received bids and readvertise for bids on the portion of the project that did not receive bids if a bid for general, electrical, or mechanical portions of a project are not received.

HB 1184 was heard before the House Judiciary Committee on Tuesday, January 22. This bill eliminates the ability of state and local government authorities to from using quick take eminent domain or acquiring an easement for a right of way through the use of quick take eminent domain. Jack Dwyer provided testimony in opposition to this measure.

HB 2275 was heard before the Senate Finance and Taxation Committee on Tuesday, January 22. This bill would create an infrastructure revolving loan fund at the Bank of North Dakota with the moneys in the legacy fund. Lance Gaebe provided testimony in support of this measure.

HB 1449 was heard before the House Finance and Taxation Committee on Wednesday, January 23. This bill raises the oil extraction tax rate to 6.5%.

SB 2020 was heard before the Senate Appropriations Committee on Thursday, January 24. This is the appropriations bill for the State Water Commission. This hearing was focused on the F-M Diversion and its funding request.

HB 1192 was heard before the House Energy and Natural Resources Committee on Thursday, January 24. This bill defines adds a definition of ordinary high water mark to N.D.C.C. ch. 61-33.1 and adds a section requiring the State Engineer maintain ordinary high water mark delineation guidelines as provided.

HB 1428 was heard before the House Energy and Natural Resources Committee on Thursday, January 24. This bill forms a Missouri River council to conduct acquisitions and manage the Missouri River shoreline.

SB 2220 was heard before the Senate Agriculture Committee on Thursday, January 24. This bill allows WRD to charge actual costs associated with permits and allows a WRD board to review completed applications up to 45 after receipt. Jack Dwyer provided testimony in support of this measure.

HB 1440 was heard before the House Energy and Natural Resources Committee on Thursday, January 24. This bill removes the water quality test requirement from protections for groundwater against mineral developers and requires developers to collect soil samples and inventory water wells.

SB 2213 was heard before the Senate Political Subdivisions Committee on Thursday, January 24. This bill removes the sunset clause for the Southwest Water Authority mill levy. Jack Dwyer provided testimony in support of this measure.

HB 1314 was heard before the House Political Subdivisions Committee on Thursday, January 24. This bill adjusts the compensation of WRD board members to be consistent with the state legislature and state officers.

SB 2139 was heard before the Senate Political Subdivisions Committee on Thursday, January 24. This bill reinstates the ability of the State Water Commission to cost-share snagging and clearing operations. Jack Dwyer provided testimony in support of this measure.

SB 2293 was heard before the Senate Energy and Natural Resources Committee on Friday, January 25. This bill creates funding mechanisms to support ANS programs. Lance Gaebe coordinated testimony and Mary Massad spoke in support of this measure on behalf of Water Users.

SB 2295 was heard before the Senate Energy and Natural Resources Committee on Friday, January 25. This bill limits the creation of irrigation districts, adds permit requirements for drainage projects and ensures drainage benefits provided by an irrigation district do not impact the authority of a water resource board.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a breakfast and a social for all North Dakota legislators **Tuesday, February 12** from **8:00 a.m. – 9:00 a.m.** in the **Brynhild Haugland room** at the capitol and **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

February 12 Rural Water/North Dakota Water Coalition Legislative Social
 February 22 Crossover for bills
 February 25-26 Recess
 March 6 Crossover for resolutions
 April 23 Session is limited to 80 legislative days

IV. HEARING SCHEDULE: January 28 - February 1, 2019

Date and Time	Bill Number	Short Title	Committee	Region
01/29/2019 3:30 PM	<u>HB 1302</u>	Relating to the sale of property acquired by eminent domain or acquired when the property was eligible for taking by eminent domain, but no longer needed for a public purpose; and to amend and reenact section 24-01-28 of the North Dakota Century Code, relating to vacating property acquired through eminent domain for highways.	House Judiciary	Prairie
01/30/2019 2:00 PM	<u>SB 2148</u>	Relating to restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact sections 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-14, 28-32-15, 28-32-16, 28-32-17, 28-32-18, and 28-32-18.1, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to rulemaking procedures and requirements for the North Dakota ethics commission; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.	Ethics	Pioneer

01/31/2019 8:30 AM	<u>HB 1362</u>	Relating to the right of utilities to cross over or under a railroad right of way; and to provide for application.	House Political Subdivisions	Prairie
01/31/2019 10:00 AM	<u>SB 2238</u>	Relating to powers of the board of county commissioners; and to amend and reenact section 32-15-01 of the North Dakota Century Code, relating to limitations on eminent domain authority.	Senate Agriculture	Roosevelt Park
02/01/2019 9:00 AM	<u>HB 1320</u>	Relating to Red River valley water supply project contract terms and elimination of voter approval requirements.	House Energy and Natural Resources	Coteau A
02/01/2019 9:00 AM	<u>HB 1514</u>	Relating to an exemption from permitting requirements for subsurface water management systems; and to repeal section 61-32-03.1 of the North Dakota Century Code, relating to permitting subsurface water management systems.	House Agriculture	Peace Garden

V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State		
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device	PASSED	
<u>HB 1136</u>	Bid Requirements for Public Improvements		
<u>HB 1173</u>	Appeals to Local Government Cost	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1192</u>	Ordinary High Water Marks		
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements		
<u>HB 1299</u>	Duration of Pipeline Easements		
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain		
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members		

<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline		
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater		
<u>HB 1449</u>	Oil Extraction Tax Rate		
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		
<u>SB 2090</u>	Permits for the Appropriation of Water		
<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2139</u>	Snagging and Clearing		
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		
<u>SB 2220</u>	WRD Tile Permits		
<u>SB 2238</u>	Eminent Domain Power of County Commissioners		
<u>SB 2259</u>	Valuation of Property		
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Limiting Creation of Irrigation Districts		
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		

Hauge, Stephanie A.

From: Haugen, Shelley K.
Sent: Monday, January 21, 2019 8:26 AM
To: -Grp-GO All Staff
Subject: FW: Legislative Report No. 5
Attachments: image001.emz

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From: ND Water Info <staff@ndwater.net>
Sent: Friday, January 18, 2019 4:00 PM
Subject: Legislative Report No. 5

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— *North Dakota Water Users* — *January 18, 2019 No.5*

Legislative Report

This session has seen the most bills and resolutions introduced in 10 years.

Monday is the final day for senators to introduce bills, and Thursday is the deadline for introducing resolutions except amendments to the constitution and study resolutions.

Hearing Schedule (January 21 – January 25).

Hearings of bills being tracked by the North Dakota Water Users Association for the next week are included in this report. We are tracking these bills because they have a direct or indirect impact on water issues.

I. This Week at the Legislature

HB 1013 was heard before the House Appropriations – Government Operations Division Committee on Tuesday, January 15. This bill provides an appropriation for defraying the expenses of the commissioner of university and school lands; and to provide for distributions from permanent funds.

SCR 4005 was heard before the Senate Finance and Taxation Committee on Tuesday, January 15. This bill would create a North Dakota infrastructure fund to be known as the North Dakota first fund to be administered by the North Dakota infrastructure board. The fund would serve as a grant and low-interest revolving loan fund from the principal and earnings of the legacy fund and would provide a procedure for political subdivisions to access grants and low-interest loans for permanent infrastructure projects.

HB 1066 was heard before the House Finance and Taxation Committee on Tuesday, January 15. This bill is widely known as the “Prairie Dog Bill” and revises the formula for the distribution of the gross production tax on oil and gas in a way that will fund Hub Cities and other oil-impacted communities in the 2019-2021 biennium at approximately the same rate as the current biennium. It would also establish “buckets” for non-oil producing cities, counties and township to support infrastructure needs.

HB 1014 was heard before the House Appropriations – Government Operations Division Committee on Wednesday January 16. This bill provides for an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial commission; and to provide for a transfer.

HB 1356 was heard before the House Political Subdivisions Committee on Thursday, January 17. This bill requires that the state and its political subdivisions may not engage in the construction of public works involving the practice of professional engineering when the contemplated expenditure for the project exceeds the sum of two hundred fifty thousand dollars, unless the engineering drawings and specifications and estimates have been prepared by, and the construction administration and construction observation services are executed under the supervision of, a registered professional engineer.

SB 2166 was heard before the Senate Political Subdivisions Committee on Thursday, January 17. This bill raises the total liability of political sub divisions from \$250K to \$1M per person and from \$1M to \$4M for any number of claims arising from any single occurrence regardless of the number of political subdivisions, or employees of such political subdivisions, which are involved in that occurrence.

SB 2044 was heard before the Senate Energy and Natural Resources Committee on Friday, January 18. This bill provides penalties for tampering with critical infrastructure and defines what a critical infrastructure facility is.

SB 2174 was heard before the Senate Energy and Natural Resources Committee on Friday, January 18. This bill requires elections for WRD board members and sets term limits.

HB 1086 was heard before the House Agriculture Committee on Friday, January 18. This bill excludes private and fossil byproduct water from eaters of the state and includes diffused surface waters and privately owned waters in non-contributing drainage areas.

HB 1243 was heard before the House Political Subdivisions Committee on Friday, January 18. This bill would require that all easements must be recorded within one hundred eighty days of creation of the easement to be valid. Easements are currently binding between the parties but not binding on parties who pay value for their interest and record that interest. Not recording easements in a certain timeframe should not determine

validity of the easement. NDCC § 47-19-41 already offers protection for a buyer if an easement is not recorded. The buyer is not bound to the easement if it is recorded without their consent.

II. 2019 Water Day

Mark your calendars for Water Day on February 12! The North Dakota Water Coalition and the North Dakota Rural Water Systems Association are hosting a breakfast and a social for all North Dakota legislators **Tuesday, February 12** from **8:00 a.m. – 9:00 a.m.** in the **Brynhild Haugland room** at the capitol and **5:00 p.m. – 6:00 p.m.** at the **Ramkota Hotel** in conjunction with Water Day at the Legislature. We urge you to take this opportunity to help us host and to discuss our water needs with our legislators.

III. 2019 Legislative Deadlines and Dates

January 21	Deadline for senators to introduce bills
February 12	Rural Water/North Dakota Water Coalition Legislative Social
February 22	Crossover for bills
February 25-26	Recess
March 6	Crossover for resolutions
April 23	Session is limited to 80 legislative days

IV. HEARING SCHEDULE: January 21-24, 2019

Date	Bill Number	Subject	Committee	Room
01/21/2019 9:30 AM	<u>SB 2259</u>	Relating to the valuation of property for just compensation.	Senate Finance and Taxation	Lewis and Clark
01/21/2019 10:40 AM	<u>HB 1207</u>	Relating to reasonable costs awarded to a defendant.	House Judiciary	Prairie
01/21/2019 2:30 PM	<u>HB 1377</u>	Relating to state board of water well contractors and continuing education requirements for water well pump and pitless unit installers; and to declare an emergency.	House Industry, Business and labor	Peace Garden
01/22/2019 8:00 AM	<u>HB 1136</u>	Relating to bid requirements for public improvements.	House Industry, Business and Labor	Peace Garden
01/22/2019 8:30 AM	<u>HB 1184</u>	Relating to eliminating the ability of state and local government authorities from using quick take eminent domain; and to repeal sections 11-10-26 and 24-01-22.1 of the North Dakota Century Code,	House Judiciary	Prairie

		relating to appeals related to acquiring a right of way through the use of quick take eminent domain.		
01/22/2019 2:30 AM	<u>SB 2275</u>	Relating to the essential infrastructure revolving loan fund debt repayments; to amend and reenact section 6-09-49, subdivision c of subsection 5 of section 6-09.4-03, and sections 6-09.4-06 and 6-09.4-10 of the North Dakota Century Code, relating to the essential infrastructure revolving loan fund, public finance agency definitions, borrowing and lending authority, and reserve funds; to repeal section 61-02-78 of the North Dakota Century Code, relating to a revolving loan fund for water projects; to provide a transfer; to provide a continuing appropriation; to provide a bond issuance limitation; and to provide an effective date.	Senate Finance and Taxation	Lewis and Clark
01/22/2019 2:30 AM	<u>SB 2276</u>	Relating to the infrastructure revolving loan fund; and to provide a statement of legislative intent.	Senate Education	Sheyenne River
01/23/2019 8:30 AM	<u>HB 1014</u>	A BILL for an Act to provide for an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial commission; and to provide for a transfer.	House Appropriations – Government Operations Division	Medora
01/24/2019 8:30 AM	<u>SB 2020</u>	A BILL for an Act to provide an appropriation for defraying the expenses of the state water commission.	Senate Appropriations	Harvest
01/24/2019 9:00 AM	<u>HB 1192</u>	Relating to defining and delineating the ordinary high water mark of a navigable body of water; and to amend and reenact section 61-33-01 and subdivision e of subsection 3 of section 61-33.1-03 of the North Dakota Century Code, relating to the definition and determination of ordinary high water mark.	House Energy and Natural Resources	Coteau A
01/24/2019 9:00 AM	<u>HB 1428</u>	Relating to the Missouri River council; to provide for the acquisition and management of the shoreline of the Missouri River; and to provide for a report to the legislative management.	House Energy and Natural Resources	Coteau A
01/24/2019 9:30 AM	<u>SB 2220</u>	Relating to permitting of subsurface water management systems by water resource district boards.	Senate Agriculture	Roosevelt Park
01/24/2019 2:00 PM	<u>HB 1440</u>	Relating to the protection of groundwater and other responsibilities of a mineral developer.	House Energy and Natural Resources	Coteau A

01/24/2019 2:15 PM	<u>SB 2213</u>	Relating to district budget tax levies.	Senate Political Subdivisions	Red River
01/24/2019 2:30 PM	<u>HB 1314</u>	Relating to compensation and reimbursement of water resource district board members.	House Political Subdivisions	Prairie
01/24/2019 3:00 PM	<u>SB 2139</u>	Relating to cost-sharing and duties of the state water commission.	Senate Political Subdivisions	Red River
01/25/2019 8:30 AM	<u>SB 2055</u>	Relating to the establishment of the budget section; to amend and reenact sections 15-03-04, 15-10-12.1, 20.1-02-05.1, 20.1-02-16.1, 25-04-02.2, 37-17.1-27, 40-23-22.1, 47-30.1-24.1, 48-01.2-25, subsection 16 of section 50-06-05.1, subsection 18 of section 50-06-05.1, and sections 54-06-37, 54-27-22, 54-27-23, 54-44.1-13.1, 54-59-05, and 65-08.1-02 of the North Dakota Century Code, relating to agency requests for budget section approval; and to repeal section 1 of chapter 67 of the 2013 Session Laws and section 10 of chapter 19 of the 2017 Session Laws, relating to the authority of the state board of agricultural research and education to sell certain real property and the authority of the state water commission to provide payment for western area water supply loans.	Senate Appropriations	Harvest
01/25/2019 9:00 AM	<u>SB 2295</u>	Relating to limitations on the creation and jurisdiction of irrigation districts; and to amend and reenact sections 61-09-01 and 61-09-03 of the North Dakota Century Code, relating to permitting an irrigation district to assess lands requiring drainage as a result of irrigation works.	Senate Energy and Natural Resources	Fort Lincoln

V. Legislative Bills Tracked (To Date)

Bill	Short Title	House	Senate
<u>HB 1013</u>	Appropriation for Defraying Expenses of the Commissioner of School Lands		
<u>HB 1014</u>	Appropriation for Defraying the Expenses of the Industrial Commission		
<u>HB 1020</u>	Appropriation for NDSU		
<u>HB 1024</u>	Appropriation for Defraying Expenses of the Department of Environmental Quality		
<u>HB 1026</u>	Soil Conservation District Manager Training	PASSED	
<u>HB 1036</u>	Fiscal Impacts of Referred Measures		

<u>HB 1037</u>	Campaign Finance Disclosure Statements		
<u>HB 1066</u>	"Prairie Dog Bill"		
<u>HB 1067</u>	Municipal Bid Requirements	PASSED	
<u>HB 1085</u>	Drought Disaster Livestock Water Assistance Program	PASSED	
<u>HB 1086</u>	Waters of the State		
<u>HB 1087</u>	Permit to Construct or Modify a Dam, Dike, or Other Device		
<u>HB 1128</u>	PTSD Service Dog Training		
<u>HB 1136</u>	Bid Requirements for Public Improvements		
<u>HB 1173</u>	Cost for Appealing Local Government Decisions	PASSED	
<u>HB 1184</u>	Eliminating Quick Take Eminent Domain		
<u>HB 1186</u>	Oil and Gas Tax Revenue Hedging		
<u>HB 1192</u>	Ordinary High Water Marks		
<u>HB 1202</u>	Outdoor Heritage Advisory Board		
<u>HB 1207</u>	Reasonable Costs Awarded to Eminent Domain Defendant		
<u>HB 1243</u>	Recording of Easements		
<u>HB 1299</u>	Duration of Pipeline Easements		
<u>HB 1302</u>	Sale of Property Acquired by Eminent Domain		
<u>HB 1307</u>	Special Assessments		
<u>HB 1314</u>	Compensation and Reimbursement of WRD Board Members		
<u>HB 1320</u>	RRVWSP Contract Terms and Elimination of Voter Approval Requirements		
<u>HB 1356</u>	Bids, Plans and Specifications for Public Improvements and Bond Thresholds		
<u>HB 1362</u>	Railroad Right of Way Utility Applications		
<u>HB 1428</u>	Acquisition and Management of the Missouri River Shoreline		
<u>HB 1431</u>	Removal of Mandan from SW Water Authority's Mill Levy		
<u>HB 1440</u>	Protection of Groundwater from Mineral Developers		
<u>HB 1514</u>	Eliminates Tile Permitting Process		
<u>SB 2020</u>	Appropriation for Defraying the Expenses of the State Water Commission		
<u>SB 2037</u>	Disposal and Transportation of High-Level Radioactive Waste		
<u>SB 2040</u>	Political Subdivision Property Exclusion from Protests Against Special Improvement Districts		PASSED
<u>SB 2044</u>	Damaging Critical Infrastructure Penalty		
<u>SB 2054</u>	Outdoor Heritage Fund		
<u>SB 2055</u>	Budget Section		
<u>SB 2090</u>	Permits for the Appropriation of Water		

<u>SB 2091</u>	Floodplain Management Community Standards		PASSED
<u>SB 2095</u>	Expending Funds from the Disaster Relief Fund		
<u>SB 2109</u>	Duties and Responsibilities of the Department of Environmental Quality		
<u>SB 2139</u>	Snagging and Clearing		
<u>SB 2148</u>	Measure 1 Lobbyist Bill		
<u>SB 2166</u>	Increased Liability Limits for Political Subdivisions		
<u>SB 2174</u>	WRD Board Member Elections, Appointments and Terms		
<u>SB 2213</u>	SW Water Authority Permanent Mill Levy		
<u>SB 2220</u>	WRD Tile Permits		
<u>SB 2275</u>	Essential Infrastructure Revolving Loan Fund		
<u>SB 2293</u>	Aquatic Nuisance Species Program Fund		
<u>SB 2295</u>	Creation of Irrigation Drainage Districts		
<u>HCR 3013</u>	Eminent Domain Over Mineral Rights		
<u>SCR 4001</u>	Process of Approving Constitutional Amendments		
<u>SCR 4005</u>	Low-Interest Revolving Loan Fund		